

JPRS 80084

11 February 1982

South and East Asia Report

No. 1099



FOREIGN BROADCAST INFORMATION SERVICE

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BILLION DOLLAR OIL DRILLING PROGRAM UNDERWAY

BK290500 Sydney THE AUSTRALIAN in English 21 Jan 82 p 1

[Article by John Jones]

[Text] A staggering \$1,000 million oil rush is under way in Australia.

International and Australian companies plan to drill 302 exploration wells onshore and in coastal waters this year.

Recent oil strikes such as the Jackson No 1 well in south Australia's Cooper Basin, Esso-BHP's Tarwhine No 1 in Bass Strait and Woodside's Goodwyn No 6 gusher on the northwest shelf have started the record-breaking rush.

The huge drilling program will cost an estimated \$848 million compared with \$450 million last year, but development costs will push the final bill well over \$1,000 million.

Yesterday the Australian Petroleum Exploration Association said about 240 wells would be drilled onshore in high-prospect sedimentary basins such as the Surat, Cooper, Amadeus and Canning.

Of these wells, 190 will be wildcats, new wells spudded in and driven down to the target depths by roughnecks after scientists and geologists have finished their seismic surveys.

Wildcats, even with the back-up of extensive moon-shot-type technology, are still regarded as a gamble, and at a cost of more than \$1 million a well, failures are expensive. The one-in-four success rate the oil companies have enjoyed in this country compares with a one-in-nine ratio experienced in oil exploration areas overseas.

In Australia this year, a further 50 appraisal and step-out wells will be drilled onshore on existing oil strikes. Jackson No 1 is a wildcat and Jackson No 2 soon to be spudded in, is an appraisal well.

Much of the onshore activity will take place in Queensland where 137 wells are planned, compared with 71 last year. A total of 51 wells are to be drilled in western Australia (against 34 last year) while 29 will be put down in south Australia. Thirteen wells are scheduled for the Northern Territory, six for Victoria and four for NSW.

The association's executive director, Mr Keith Orchison, said a large proportion of the onshore wells, costing a total of \$431 million, will be drilled by companies which are mainly Australian owned.

There will also be a big increase in the number of offshore wells this year. Sixty-two wells are expected to be drilled, mainly off the west Australian and Victorian coasts, compared with only 12 last year. Of the 62, 57 will be wildcats.

This build-up in the search for new oilfields is vital to sustain and top-up present oil production of about 440,000 barrels a day.

CSO: 4220/214

MORE DEFENSE FACILITIES PLANNED ON WEST COAST

BK290303 Melbourne Overseas Service in English 1110 GMT 28 Jan 82

[From the "Australian Insight" program]

[Text] The Australian Government recently announced a program to extend its defense facilities in northwestern Australia. The program will include building one military airfield and upgrading an existing airfield in northwest Australia as well as the upgrading of the Cockburn Sound Naval Base, the building of a new patrol boat base in the northwest and the stationing of military personnel in the area.

The proposals are welcomed by west Australians who have claimed that there has been virtually no defense capability in the west of the continent. (Owen Cole) reports from Perth on the new defense commitment:

Defense strategists admit that the west Australian coastline stretching 12,500 km is virtually impossible to defend. However, the lack of defense facilities in the area makes it a haven for illegal immigrants, the importation of illicit drugs and illegal fishing by foreign-owned boats. There is also fear the quarantine infringements resulting from the lack of surveillance in the area could introduce exotic stock diseases to Australia.

The northwest of Australia is also the center of Australia's mineral development, and many west Australians fear that these undefended resources are easy prey for invaders. It is estimated that it would take 10 days to transport tanks from Victoria, where they are stationed, to northwest Australia. West Australians claim that the defense needs of the area have been neglected because there are few votes for federal politicians in such a sparsely settled area. Dr (Geoffrey Williams), director of defense studies at the West Australian Institute of Technology says no country in the region will have the military capability to invade Australia in the next 30 years. However, he welcomes the increased defense commitment to northwest Australia. I asked him what attitude the federal government had to defense in this area:

[Answer] Well, I think traditionally it has been seen as one really not taking the subject seriously enough. The defense of Australia really would involve the defense of areas more critical to the survival of the nation, and the less populous areas of the northwest and of western Australia in general--with the

exception perhaps of the southwest of that state. So I think the significance of the change in attitude that I think is emerging is that it is now perceived in Canberra that west Australia shares a coastline in an area perhaps the most volatile that there is in international politics at the moment—the Indian Ocean—and that to the north of the state there are countries who are friendly at the moment but who could become less so, certainly by the time of the turn of the century, posing a genuine threat to Australia's interests, both economically, politically, psychologically and militarily. So the significance of building up the defense installations in west Australia has to be seen against the historical context of west Australia not traditionally being regarded as all that significant.

[Question] The defense moves that have been announced...it does not involve a lot of men. What is the philosophy behind it?

[Answer] I think the rationale behind it is really to show that the facilities are there and that given sufficient warning of a large scale threat or a tangible threat, then these facilities could be built up and would constitute, as it were, the core force of any kind of response to a specific lodgement threat or an invasion threat of any kind. And so, therefore, the significance must be seen in terms of the long term perspectives emerging here rather than their inherent use today, although their inherent use today does relate to what one might call low level violence, low level activities--the violation of our sovereignty by illegal immigrants or by illegal fishing activities or exploitation of our economic resources beneath the sea by foreign powers. It is designed, in fact, to deter that, but in relation to a specific military threat it is only providing the capacity to expand that effort, to respond.

[Question] How hard is this northwest area to defend?

[Answer] Well, it is almost impossible to defend, and of course if an invader got ashore then there is nothing really to prevent him from taking temporary lodgement. But he would have enormous problems of communication and resupply and would be subjected to harassment by the Australian forces and of course would find himself increasingly vulnerable to such attacks and isolated. So while it is difficult to defend, it is also very difficult to exploit if an invader comes ashore. His own position would be perilous in the extreme. So that is both its strength and its weakness, in a sense. It is vulnerable to an invasion, but of course on the other hand an invading force has to cope with all the real logistical problems posed by inhabiting such a large area.

CSO: 4220/214

BRIEFS

OIL EXPLORATION--Canberra, 21 Jan (AFP)--Australian oil exploration will be twice as intensive in 1982 compared with last year. The Australian Petroleum Exploration Association announced today that at least 280 wells would be sunk, twice the number for last year, which was a record. Oil exploration companies will spend U.S.\$850 million. This is nearly twice as much as last year mainly because the federal government has announced that any new oil discovered will receive the full import parity price of \$30 a barrel. Preliminary estimates indicate that the 1982 exploration will be mainly in western Australia where the number of rigs will rise from 40 to 81 and in Queensland with 137 wells compared to 71 last year. [Text] [BK241207 Hong Kong AFP in English 0716 GMT 21 Jan 82 BK]

QUEENSLAND COAL PROJECT--The Queensland Government has approved one of the state's most controversial mining projects--a coal mine in the growing residential area between Brisbane and Ipswich. The government has agreed to a combined open-cut and underground mine to cost A\$50 million in the Goodna-Redbank Plains area. A Queensland mining firm plans a partnership with two Japanese companies to develop a steaming coal mine for both the local market and for export. [Excerpt] [BK301217 Melbourne Overseas Service in English 0830 GMT 29 Jan 82 BK]

1981 INFLATION RATE--Australia's inflation rate has risen back into double figures after a sharp rise in the cost of living during the December quarter. The latest consumer price index figures show a rise of 4.2 percent and an annual inflation rate for 1981 of 11.3 percent. The rise of 4.2 percent is the highest quarterly increase in 5 years. The bureau's statistics blame the increase on higher health insurance and hospital charges which alone accounted for almost a third of the overall increase. Earlier, the prime minister, Mr Fraser, warned that Australia's inflation rate would make it less competitive with our major trading partners in North America and Europe. [Text] [BK280602 Melbourne Overseas Service in English 0500 GMT 28 Jan 82]

URANIUM PROJECT APPROVED--The federal government has approved the development of the (Lakeway) uranium project near (Walluna) in western Australia. The project is a joint venture by two Australian companies--Delhi Petroleum and (VAM) Limited. The minister for trade and resources, Mr Anthony, said the (Lakeway) deposit contained about 4,000 tons of uranium oxide. It is the second uranium project in western Australia to receive federal approval. Mr Anthony said the two companies were now in a position to seek the necessary authorization to negotiate with the sale overseas of uranium from the deposit. [Text] [BK191257 Melbourne Overseas Service in English 0830 GMT 18 Jan 82 BK]

WHEAT SALES TO EGYPT--Egypt is to buy a further 500,000 tons of wheat from Australia, bringing the total purchased this year to 1.75 million tons. The general manager of the wheat board, Mr Moore-Wilton, announcing the new contract in Melbourne, said Egypt was one of Australia's oldest and most valued market for wheat. [Text] [BK201449 Melbourne Overseas Service in English 0830 GMT 20 Jan 82 BK]

EEC TO BUY BEEF--The European Economic Community has agreed to import 60,000 tons of processing beef from all potential suppliers under a special quota negotiated by Australia. The agreement ends the dispute in which France and Ireland had wanted the quota held down to 45,000 tons. Radio Australia's correspondent in Brussels Malcolm Downing says the settlement is a relief for Australia which had made the beef issue an important test case for its relations with the EEC. But he says there is still a potential difficulty over the 60,000 tons as half of it faces a levy of 45 percent which will make it expensive. Downing says the situation will be reviewed at the end of July. [Text] [BK200916 Melbourne Overseas Service in English 0830 GMT 20 Jan 82]

DOCTORS RETURN FROM THAILAND--The first totally Australian surgical team to treat Kampuchean refugees in Thailand is returning home after a tour of duty lasting more than 3 months. The seven women and three men--surgeons and nurses--have been working in the major refugee camp at Khao I-dang on the Thai-Kampuchean border. A spokesman for the Australian Red Cross says the team has coped extremely well with what he termed fairly-horrific war wounds among the refugees. [Text] [BK250935 Melbourne Overseas Service in English 0830 GMT 25 Dec 81 BK]

WHEAT TALKS WITH INDONESIA--Australia is confident that Indonesia will continue to buy wheat even though no agreement has been reached between the two countries this year. A spokesman for the Australian Embassy in Jakarta said representatives of the Australian wheat board and the Indonesian logistics board have failed to reach an agreement in their talks. The head of the Indonesian board, Mr Arifin, denies that Indonesia will stop wheat imports unless Australia increases its commodity imports from Indonesia, which include coffee and rubber. [Text] [Melbourne Overseas Service in English 0500 GMT 25 Dec 81 BK]

ENERGY COOPERATION WITH THAILAND--Australia's Minister for National Development and Energy Sir Carrick has foreshadowed further cooperation between Australia and Thailand in energy matters. Radio Australia's Bangkok correspondent Paul Lockyer says Australia has been working hard to secure long-term coal sales to Thailand as an alternative to higher priced oil imports. Lockyer says a team of Australian experts is in Thailand presently advising the government on ways to conserve energy. In his talks in Bangkok with Thai Government leaders, the federal minister promised that energy conservation matters would be given high priority in Australia's future relations with Thailand. A statement released by Sir John said emphasis would be placed on the use of solar energy, hydro systems and liquid petroleum gas. [Text] [BK191005 Melbourne Overseas Service in English 0830 GMT 19 Jan 82]

FOREIGN INVESTMENT POLICY--Federal cabinet has approved three changes to its foreign investment policy. Speaking after the cabinet meeting in Canberra today, the treasurer, Mr Howard, said the government would seek greater Australian equity in mineral processing although no specific equity level had been set. He said the second change involved the tightening of guidelines for the acquisition of rural properties by demanding that foreign ownership proposals demonstrated greater benefit to the Australian economy. Mr Howard said that to gather more information on the level of foreign ownership, cabinet had also decided to reinstate the foreign ownership and participation survey that was abandoned in 1977. The treasurer described the changes as a fine-tuning of the government's policy rather than a major adjustment. He said the policy had largely achieved the government's objective of maintaining a high-level of overseas investment while allowing adequate opportunities for Australians to share in the country's resources. [Text] [BK190921 Melbourne Overseas Service in English 0830 GMT 19 Jan 82]

CSO: 4220/214

BURMA

BRIEFS

YUGOSLAV ENVOY PRESENTS CREDENTIALS--The newly-accredited ambassador of the Socialist Federal Republic of Yugoslavia to the Socialist Republic of Burma [SRUB], Ranko Radulovic, presented his credentials to SRUB President U San Yu at the president's office on Windemere Road in the afternoon of 20 January. Also present at the meeting were Lt Col Aung Myint Baw, director general of the president's office, and U Tin Tun, director general of the Foreign Ministry's protocol department. [Text] [BK201455 Rangoon Domestic Service in Burmese 1330 GMT 20 Jan 82 BK]

AMBASSADOR TO NIGERIA--The Foreign Ministry announced on 20 January that the president of the Socialist Republic of the Union of Burma has appointed U Myo Aung, ambassador extraordinary and plenipotentiary to the United Kingdom, concurrently as ambassador to Nigeria. [Rangoon Domestic Service in Burmese 1330 GMT 20 Jan 82 BK]

DPRK SONG, DANCE ENSEMBLE--The Korean People's Army Song and Dance Ensemble from the DPRK led by Maj Gen Kim Ung Do was feted at a luncheon held on 20 January at the Rangoon military command in Mingaladon by commander and military command party organizing committee chairman Brig Gen Myo Aung and his wife. Also present at the luncheon were the DPRK ambassador to Burma; adjutant general of the Defense Ministry Brig Gen Saw Maung and his wife; and leading officials of the Defense Ministry. [Rangoon Domestic Service in Burmese 1330 GMT 20 Jan 82 BK]

CSO: 4211/10

PAKISTAN HAWKEYE PURCHASE TO ALTER AIR BALANCE

Bombay THE TIMES OF INDIA in English 7 Jan 82 p 4

[Text]

PAKISTAN'S proposed purchase of four E-2 C Hawkeye airborne warning and control system aircraft, if agreed to by the U.S., will alter the air balance between the Indian and Pakistani air forces.

The IAF is three times larger than the PAF, and has a five-to-one edge in high-performance aircraft. How then can four aircraft alter the air balance?

To begin with, it should be noted that the two air forces have very different missions, and it is misleading to make numerical comparisons. The PAF essentially concentrates on the air defence of Pakistan. It provides limited ground support to the Pakistan army. Its strike element is designed more to disperse the Indian defence and keep the Indian offence off-balance rather than make a strategic contribution to the war.

The IAF not only has to concern itself with the air defence of two fronts, west and north, it postulates a higher standard of defence for the army than does Pakistan. It provides heavy and sustained ground support for the army. And its strike element is designed to grind down the adversary's war-sustaining infrastructure, making a decisive strategic contribution if the war is allowed to continue long enough.

So far, the IAF was unable to bring its decisive numerical strength into play in 1965 and 1971 because both wars have been short. Keeping in mind that future wars may also be short because of international intervention, and that some method has to be found to break the inevitable stalemate on the ground, the IAF began in 1978 to create a very powerful strike force.

By the end of this decade, it will consist of some 400 aircraft, perhaps a hundred Jaguars and the rest MiG-23/MiG-27s. Because of their ability to attack with heavy payloads at high speed and low altitude, because of the greatly increased lethality of modern munitions, and because of the much higher accuracy of attack of these aircraft, the IAF's strike power

will increase manifold over that available in 1965 and 1971. For example, a single Jaguar squadron is probably more effective than the entire Canberra force of three squadrons available in 1965. Similarly, the proposed MiG-23/MiG-27 force of 300 aircraft may be three times as effective as the entire force of 12 Hunter and SU-7 squadrons available in 1971 for ground support and interdiction.

IAF plans

The IAF now plans to simultaneously keep suppressed all PAF main bases as well as attack all major bridges, railway lines, roads, and oil ammunition dumps in the Pakistan army's rear, immobilising both the PAF and the Pakistan army within a matter of days. After that, this formidable strike power can be turned against the Pakistan army, enabling our ground troops to make decisive breakthrough in vital sectors.

Pakistan's possession of Hawkeye will, however, change this. At present, the Indian attackers enjoy a high degree of immunity because Pakistan radars provide limited warning of the IAF's high-speed low-level attack.

To keep combat air patrols aloft on a continuous basis is the only sure way to counter such attacks. Not only is it very difficult to keep such patrols airborne over all major bases, the IAF will make massive attacks, permitting the escorts to brush away the PAF's air patrols.

But Hawkeye by virtue of its position aloft at 10,000 metres, can extend radar warning out to 500 kilometres, and it can automatically and simultaneously control 30 separate engagements and 250 targets.

An IAF mission against Sargodha, the PAF's biggest fighter base complex, will now not face just the two or four can aircraft above Sargodha, but aircraft from half-a-dozen main and secondary bases around Sargodha. Hawkeye can pick up Indian aircraft the moment they leave Ambala, an IAF main strike base. With the 20-minute warning now available to Paki-

stan, and with Hawkeye alerting the defending fighters to the IAF's every move, attacking Sargodha or any other Pakistani target will now become suicidal.

That is not all Hawkeye does. It can search out safe paths for the PAF's relatively small Mirage 5 strike force, greatly enhancing its capability. It can spy on Indian radars and radio transmissions at distance up to 1,000 kilometres. Worse, it can spot and warn of any ground concentration, robbing our army of surprise.

Hawkeye's efficiency can be gleaned from the results of several U.S. naval exercises, against American and foreign aircraft.

Commonly Hawkeye and the F-14 Tomcat intercept 100 per cent of the attackers though outnumbered up to four times.

Hawkeye's bigger brother the U.S. air force's E-3 Seek Sentry, is said to increase the defence's effectiveness by a factor of eight.

Hawkeye can, of course, be countered. More powerful AWACS can jam its radar. High-altitude fighters can penetrate above the ceiling of defending fighters and kill Hawkeye with long-range missiles. Surface-to-surface missiles can be used against vital air bases, reducing the number of attack sorties needed, as also the number of defending fighters on call to Hawkeye,

Three questions

The Hawkeye issue does, however, raise three questions.

First, we have long since known of the value of AWACS and of the PAF's search for AWACS or equivalent systems. Why did we not purchase it ourselves years ago?

Secondly, when the Mirage 2000 cannot take on the F-16 alone, just what is its relevance against a Hawkeye-F-16 combination? The proposed deal is, incidentally, very much under negotiation. The prices (1982) are Rs. 16 crores for the basic aircraft, Rs. 36 crores for a fully-equipped one with spares good enough for two years, and Rs. 34 crores for

life-cycle costs. This without an annual 12 per cent inflation.

Thirdly, with one exception Hawkeye counters are available only from the Soviets. MiG-19 to attack Hawkeye, the British Nimrod or the Soviet follow-up to its TU-126 AWACS (a variant of the Il-76 transport) to jam it and long-range surface-to-surface missiles to attack air bases — these, singly or in combination, could neutralise Hawkeye.

If we now have to go back to the Soviets, this will be nothing new. We have failed to develop our own aircraft, we have quarrelled with the Americans and we find West European equipment too expensive. It is better than Soviet equipment but we need numbers, not just quality.

Jaguar being expensive, we have had to also buy the MiG-23 MiG-27. Western tactical transports being beyond our financial reach, we have bought the AN-32. We don't want to buy American, so our new medium transport and helicopter gunship, the Il-76 and Mi-24, are Soviet. We can buy only a few Mirage 2000, so we have to look at the new Soviet MiG-31 and MiG-33 for our lightweight interceptor. So with helicopters (Mi-25) and so with surface-to-air missiles (SAM-6 and SAM-9).

For all our rhetoric about self-sufficiency and diversification of suppliers, we are now more reliant on the Soviets than at any time before.

The Soviets know our options are limited. They are already playing hard to get. Recently, an air delegation went to the Soviet Union, among other matters, to look at the MiG-31 and MiG-33, now under test. The Soviets refused even to show us the fighters. When the delegation said it would like to see the fighters before India took a decision on the Mirage 2000, the Soviets replied that the two issues had nothing in common. We could buy as many Mirages as we liked. There was no air threat to India from Pakistan.

If the Soviets saw such a threat emerging, they would provide us with counters.

GANDHI SPEAKS TO CONGRESS-I WORKING COMMITTEE

Bombay THE TIMES OF INDIA in English 9 Jan 82 pp 1, 5

[Text] The Congress(I) working committee today asked chief ministers and party functionaries to concentrate on the speedy enforcement of the 20-point programme and to constantly monitor its progress.

The tone of the discussions, which would be continued tomorrow, is set by the party president, Mrs. Indira Gandhi, who thought that many of the problems facing the people, particularly, the weaker sections, could be solved if the party programmes were translated into action.

In her opening review of the general situation at the session, Mrs. Gandhi bitterly assailed the opposition for her obstructionist course and explained she was not deterred by their unity moves which were of a negative character.

At the same time, she bluntly stated she was not so much worried over the opposition attitudes as by weakness in her own party. She expressed disapproval of the action of some dissidents in joining the opposition chorus against Mr. Antulay.

Before it adjourned to meet tomorrow, the committee had met for over eight hours in two sittings. The working committee meeting, the first in 13 months, is being attended by chief ministers and state party presidents.

During the discussion, participants called for the strengthening of the Home Guards organisation to assist in the preservation of communal and caste harmony.

Suggestions were made for strengthening the Seva Dal. The example in Kerala where a Seva Dal volunteer corps of 45,000 had been raised was approvingly cited.

The chief ministers who spoke today were those of Andhra Pradesh, Kerala, Madhya Pradesh, Maharashtra, Punjab, Himachal Pradesh, Haryana, Uttar Pradesh, Gujarat, Manipur, Bihar and Orissa. Most of the PCC presidents would speak tomorrow.

The working committee decided that 1985 should be celebrated by the party as the Congress centenary year. Chief ministers and party functionaries were asked to make necessary preparations.

Besides the chief ministers, the ministers for agriculture, finance and external affairs participated in the discussion and apprised the committee of developments in their respective areas of concern.

Mrs. Gandhi spoke of the negative character of opposition unity, not based on any programme or policy. According to her, the only thing bringing them together was the lure of office. At the same time, she cautioned that any impact the opposition might have had on the public was because of the inactivity of Congressmen and disunity among them.

She recalled opposition by these parties in the past to radical policies of the Congress like nationalisation of banks, abolition of privy purses and privileges, the 20-point programme and other measures to help the poor and to non-alignment. They were now trying to capitalise on the recent incidents of atrocity on Harijans in some places and were "shedding crocodile tears", she said. But while in power, she charged they had abandoned the progressive measures she had initiated to benefit the weaker sections.

Mrs. Gandhi referred to the many contenders for prime ministership and wondered whether Mr. Bahuguna would step aside in favour of Mr. Vajpavee or vice-versa or whether Mr. Charan Singh would opt out in favour of anyone else.

Mrs. Gandhi explained that she was not worried about these goings on as the people would never repose confidence in these leaders having known their dismal record and disunity while in office. But she was worried about the weakness in her party.

The Prime Minister said the country was facing a grave situation. At a time when the need was for unity, the opposition was bent on a destructive course.

She thought that the opposition was oblivious to the overall national situation. If any war took place whether on Indian soil or elsewhere, it would affect the country badly. The impact would be felt on people of all walks of life.

Mrs. Gandhi also castigated the opposition partise for using "the bogey of corruption" to discredit her party and the government. She contended that strong action had invariably been taken against wrong doers of her party either at the Centre or the states. On the other hand, the Janata-Lok Dal governments and the erstwhile Samyukta Vidayak regimes had shielded ministers and leaders who were corrupt.

Mrs. Gandhi also referred to indiscipline and warned that stern action would be taken against dissident activity in any state. She expressed her resentment against some party leaders who had joined the opposition chorus and mounted a campaign against Mr. A. R. Antulay without verifying facts. Their action had weakened the party at a time when it needed to be reinforced.

Dissidents in Maharashtra should realise that they "cannot get away with this sort of behaviour with impunity," she said.

Mrs. Gandhi said India had won appreciation for its all-round progress. People abroad were, in fact, surprised at the significant advance in various fields, particularly, self-reliance in agriculture. She thought the massive loan given by the International Monetary Fund was itself a testimony to India's economic stability and progress.

CSO: 4220/7627

GANDHI SPEECH CLOSES CONGRESS-I COMMITTEE MEET

New Delhi PATRIOT in English 10 Jan 82 pp 1, 7

[Text] **THE TWO-DAY SESSION OF THE CONGRESS-I WORKING COMMITTEE IN RECENT YEARS CONCLUDED ON SATURDAY WITH MRS INDIRA GANDHI'S CALL TO PARTYMEN TO REACTIVISE THE ORGANISATION AT ALL LEVELS TO IMPLEMENT THE 20-POINT PROGRAMME, WHICH SHE CHARACTERISED AS THE SHEET ANCHOR OF ITS POLICIES, AND TO CONFRONT THE SECESSIONIST AND COMMUNAL FORCES.**

Summing up the 10-hour discussions in which 47 Central Ministers, Chief Ministers and PCC presidents took part, she directed party chiefs, government and labour leaders, the youth wing and the Seva Dal activists of the party to effectively resist the 19 January country-wide general strike called by trade union centres affiliated to the opposition parties. The resistance, she observed, should, of course, be peaceful.

Mrs Gandhi said that this had been the most useful meeting of the CWC-I and suggested that a monitoring cell be set up at the AICC-I to keep a watch on the progress of implementation of the 20-point programme. Similar cells could be set up in every State. A decision to establish these cells was taken immediately thereafter.

Among other speakers at the concluding day's session were party leaders from the remote parts of the country like Misoren Meghalaya, Goa, and Andaman and Nicobar Islands.

Reviewing developments in their respective areas, senior Cabinet Ministers like P V Narasimha Rao, R Venkataraman and the State leaders stressed the need for vigilance against disruptive elements.

Responding to this, Mrs Gandhi warned the partymen that unless they identified themselves with the 'poorest of the poor and lowest of the low' and put an end to factionalism the Congress

would meet the fate of the old Janata party. For that, partymen at all levels needed to go to the grass-root levels.

Their most important task was to seriously and sincerely implement the 20-point programme with renewed vigour and a new perspective. The PCC presidents and the Chief Ministers had a special responsibility in this difficult task.

They should involve partymen at all levels in this task and senior leaders should try to carry together all sections in the party with them.

Mrs Gandhi devoted a great deal of her address to the discipline among the partymen. At one stage, she asked the party to draw lessons from the Janata bickerings. 'It is better to correct now before it becomes too late,' she warned them.

She said that the senior party leaders had a special responsibility in maintaining discipline.

Whenever differences emerge at any level, they should carry all groups along with them.

In an obvious reference to controversial Chief Ministers like Mr A R Antulay, she said if they failed to do so for long, no body could be able to help them. It was their primary duty to see that both the administrative and organisational wings work in harmony.

Mrs Gandhi, called for cooperation and harmony between the administrative and organisational wings of the party in the States so as to face the challenges of disruptive forces on the one hand and to identify itself with the people on the other.

She said rapport between the two limbs of the party was vital to the organisation. Discipline and unity should be the watchwords, she stressed.

She asked the party Chief Ministers and PCC-I presidents who attended the meeting to be vigilant about the activities of

the party units at the district and block levels as well.

Stressing the need for going to the 'grassroots,' she said that party workers should not shy away from going to the remote rural areas.

She wanted the Chief Ministers and leaders to go to even far away places like the Andamans and Nicobar and other such areas.

I have immense faith in the ordinary Congressmen. Once they swung into action and exposed the lack-lustre performance of the Lok Dal and Jana's Governments, these parties

would take to their heels,' she said.

She claimed that her Government had brought out a phenomenal improvement in the lot of the kisans, workers and other sections of the people in the last two years. Harijans, Adivasis and the weaker sections had never had a better deal.

It was for the first time since the Congress-I returned to power that the party Chief Ministers were asked to give an account of their performance and the pace of implementation of the economic programme to the Working Committee.

It was made clear to them that any laxity in implementing the programme would not be tolerated.

Karnataka Chief Minister Gundu Rao and Rajasthan Chief Minister Shiv Charan Mathur apprised the Working Committee of the performance of their respective governments.

AICC-general secretary Shyam Sunder Mohapatra said that the opinions expressed at the meeting would also enable the party to prepare itself to deal effectively with the opposition move 'to unite and create disharmony.'

CSO: 4220/7631

GANDHI SPEAKS AT DELHI AFRICAN FESTIVAL 11 JAN

New Delhi PATRIOT in English 12 Jan 82 p 10

[Text]

PRIME Minister Indira Gandhi on Monday said that India strongly disapproved of the apartheid regime in South Africa and reaffirmed the nation's support to the Namibian cause and the liberation struggles of the peoples of South Africa.

Addressing the concluding function of the five-day 'Festival Africana' in New Delhi, Mrs Gandhi called upon the youth to create greater consciousness among people against the imperialistic forces.

At the colourful function organised by the African Students Association, the Prime Minister said that already there is a growing consciousness in the world against oppression and it was not because of great leaders but youths who were striving for independence.

'We share the agony you feel from the sufferings in those countries which are still not free', she said, 'India has consistently supported and honoured the cause of the South African people and we felt anguish and shock at every brutal act perpetrated by the imperialists and racists', Mrs Gandhi added.

She called upon the freedom fighters to unite and defeat the imperialists manoeuvres in South Africa and condemned the rac-

ist regime for resorting to violence and repression when the national liberation movement had accepted peaceful transition towards freedom.

She said India strongly disapproved of South Africa's bid to subvert the UN plan for a peaceful settlement in Namibia and deplored the actions of certain states which were propping up the apartheid regime in defiance of world opinion.

'The decade of eighties will decide the destiny of South Africa', Mrs Gandhi said.

Mrs Gandhi paid rich tributes to Nelson Mandela, the incarcerated freedom fighter who was recently conferred the Jawaharlal Nehru award for international understanding.

African Students Association Delhi branch chairman Elias B Radjuka said that the presence of the Prime Minister in the function gave the African students courage to strive towards the emancipation of their country.

CSO: 4220/7638

REPORT ON GANDHI 4 JAN BANGALORE PRESS CONFERENCE

Bombay THE TIMES OF INDIA in English 5 Jan 82 pp 1, 9

[Text] The Prime Minister, Mrs. Indira Gandhi, made it clear today that India would proceed cautiously on the proposed Indo-Pak no-war pact.

"We do want an agreement and to avoid a war, if possible, but we have to be very careful," she remarked.

At a press conference rounding off her two-day visit to Karnataka, the Prime Minister noted that Pakistan had been blowing hot and cold. India's experience was that it had been attacked several times.

"Actually," she said, "if we can avoid a war, it would be the best victory. India's policy has been one of friendship with neighbours."

Responding to wide-ranging questions, the Prime Minister termed as baseless and wrong the allegations that India had given up its independence on policies and programmes by accepting a huge loan from the International Monetary Fund. There was none in the world who could accuse her of surrendering India's independence in political and economic matters.

Much discussion had taken place in Parliament on the IMF loan. She herself and the Union finance minister had said enough on the subject. "We want to improve the economy of the country in a short time," she observed.

On the massacre of Harijans in Uttar Pradesh and Bihar, Mrs. Gandhi said such incidents were condemnable, deplorable and tragic. Security arrangements were being stepped up. All instances of atrocities on Harijans were not similar, but some seemed to be deliberate. The Deoli incident was a clear case of a vendetta and this had to be gone into. People who held privileged positions did not like other people coming up. This was the same situation internationally, she said.

Barb At Newspapers

Asked if the chief minister of U.P. would be changed consequent to the attacks on Harijans, Mrs. Gandhi remarked: "It is not connected with this."

The Prime Minister denied that she was worried over the new opposition unity move. She was not worried now nor was she worried when the opposition parties

were together and in office. But the people must know what was meant by unity among opposition parties. If the press did not ask this question, she would.

The press was commented on by Mrs. Gandhi in reply to other questions. Asked whether the government would come to the aid of newspapers, closed or threatened with closure, she said that some newspapers thought they could do what they liked, publish false and exaggerated reports and ignore truthful reports or contradictions of false reports. "Yet they expect the government to help." There were newspapers whose whole policy was to denigrate the government and give a lead to the opposition, she added.

Mrs. Gandhi thought that it was not a good idea for the government to run newspapers or take over sick newspapers. Mere delinking of the press from monopoly houses, as demanded by the Indian Federation of Working Journalists, would also not solve the problem.

The Prime Minister said that there was no comparison between the united democratic front, which had come into power in Kerala, and the left democratic front, which had gone out of office. Did she think that the UDF government would stay in office for long? "How do I know?" As for the LDF, it had spent wrecklessly, thinking it would last long, and left the state economy in a terrible state, she said.

The Prime Minister seemed to throw cold water on the persistent efforts being made by Karnataka parliamentarians, backed by the state government, to hold a parliamentary session in Bangalore. It was a highly controversial issue, she said, on which she had expressed her view earlier.

CSO: 4220/7620

MORE ON GANDHI SPEECH TO FOREIGN SERVICE CLASS

Bombay THE TIMES OF INDIA in English 8 Jan 82 p 5

[Text]

THE Prime Minister, Mrs. Indira Gandhi, today denied that India was leaning towards the Soviet Union and asserted that it had never swerved from its policy of non-alignment.

Non-alignment was the best-suited policy and India had never tilted towards any power bloc, Mrs. Gandhi said while addressing Indian Foreign Service probationers here.

Mrs. Gandhi pointed out that in many crucial areas India had first approached the United States for assistance but often to no avail.

Referring to India's ties with the Soviet Union, Mrs. Gandhi said the USSR had helped India in difficult times. Besides, in various international forums the Soviet Union stood by the developing world and the group of 77.

Mrs. Gandhi told the future diplomats that the government had taken special steps to diversify its international purchases so that "we do not put all our eggs in one basket."

She said there was innate competitiveness in any democratic system and certain tendencies and tensions were bound to develop.

The Prime Minister commended the people for tackling these problems in a very mature manner.

SENSE OF ENMITY

She said India had been first to float many ideas which, after being frowned upon initially, had found wide acceptance abroad.

Advising them to study the nation's history, policies and programmes thoroughly, Mrs. Gandhi said they should take pride in India's tremendous achievements.

Mrs. Gandhi said career diplomats were representatives of the nation and should have national interest the uppermost in their minds.

She said it would be a myth to credit Britain for forging unity with in the country. "Since ancient times there has been a strong sense of unity in India though there were many kingdoms. A sense of unity has always been there."

The various pilgrim centres in the country contributed to this sense of unity and oneness because every Indian was supposed to visit one of these in his or her life time.

Mrs. Gandhi said India's greatness lay in its large-heartedness, open-mindedness and a liberal attitude. India had the capacity to absorb new cultures and absorb them.

"Keep up your enthusiasm and do not get into bureaucratic muddles," she exhorted the probationers.

CSO: 4220/7624

ANALYST DEPLORES CORRUPTION IN GOVERNMENT

Madras THE HINDU in English 10 Jan 82 p 2

[Text] The new year has begun for India on a somewhat sombre note. After the seasonal spirit of high expectation, the air is thick again with dark forebodings of difficult days ahead. The cheer is gone with signs of growing despondency and increasing cynicism in public life.

The optimists, who sustain their hope with an unfailing faith in the country's future, feel that sooner or later things must get better if only because of the cyclic impact of changing fortunes. The pessimists, on the other hand, fear that the country is inexorably heading for a great leap backward with something painfully amiss in the present dispensation. The middle opinion, which is not unduly influenced by such extreme thoughts, is more troubled by the manifestations of the malaise than the causes of it.

In human psyche, even robust faith has to be laced with a dash of disbelief to give one's persuasion a touch of realism. It is this compulsive urge to blend one's optimism with a stroke of pessimism that makes people talk more about failures than achievements, while nursing illusions of rapid strides or lamenting over avoidable lapses. A ruling party which does not understand the psychology of those who criticise its actions tends to suspect their motives by mistaking dissent for denigration.

Decline

In the absence of a powerful rallying impulse, the people are inclined to take a dim view of missed opportunities and indulge in value judgments that are not flattering to those in power, whatever the reasons for their poor performance. The Government need not feel unduly concerned if the critics keep talking incessantly of growing insecurity, spiralling prices, increasing corruption and political manipulation to focus attention on the frustrations of the people. It can elevate the level of debate on these evils by welcoming well-meaning criticism instead of resenting it.

The decline of Parliament has been followed by the diminution of the judiciary, the weakening of the administration, the precipitous fall in standards of public morality and the disappearance of the normal restraints against misuses of political power, all of which have cumulatively contributed to the weakening of the

system. But then the Government alone cannot be blamed for this sad state of affairs, since the fragmented Opposition has also played its part in corroding it.

The agonising dilemma today is whether the political leadership should devote its primary attention first to the improvement of the run-down system, or try to make do with the existing set-up to achieve better results to the extent possible in the present circumstances. An improvised attempt to tone up the quality of government without the necessary political will and clarity of purpose to propel the effort, could conceivably end in further confusion by placing a premium on opportunism under the guise of innovation.

It is in this context that some of those who responded enthusiastically to Mr. B. K. Nehru's recent plea for structural changes in the system of government have been having second thoughts on the wisdom of attempting such major alterations in the Constitution in the present situation. Once the proverbial Pandora's Box is thrown open even with the best of intentions, one does not know where it will all end in the name of improving the quality of government.

There is no simple remedy for this malediction, certainly not by tinkering with the Constitution, since the very process of plugging the existing loopholes might open new ones by rendering the system more vulnerable to further erosion.

It is for this reason that a well thought out compartmental rather than an integrated approach is being advocated by some constitutional experts to the suggested changes for eradicating the evils of political corruption, reforming the electoral system, enhancing the standards of representation in legislatures and ensuring the stability of elective governments. Any abrupt attempt to reform the system in one go can throw the flood-gates open to political adventurism by giving the protagonists of a switch-over to a presidential form a golden opportunity to press for basic changes in the Constitution.

Ruthless Action Needed

The crying need of the hour, in their view, is for a radical change in the attitude of politicians to power and patronage. A mere reform of the electoral procedures will not hamper the delinquent from amassing vast fortunes with impunity in the prevailing permissive atmosphere unless those at the top are prepared to set the right example for political integrity and personal rectitude.

The infractions of those in power must not be condoned in the name of saving the ruling party's image all because the Opposition has exposed them. The rot will get deeper and deeper, even with the best of built-in checks in the system, unless the Prime Minister is ready to weed out ruthlessly all those who are found mis-using political power for personal benefit in whatever form and with whatever excuse.

There can be no double standards in dealing with political corruption. The Intelligence Bureau can furnish her with the names of persons, whether in her own party or in the Opposition, who have illegally amassed enormous wealth in the last 10 or 15 years without any fear of retribution.

She cannot be unaware of the changing life styles of politicians, with all the vulgarities of needless extravagance and ostentation, that has now become an inseparable part of Indian public life.

The fact that the Janata breed fared no better during its ill-starred spell of office does not mitigate the continued culpability of some of her own party colleagues.

Preoccupation

The excessive preoccupation with foreign affairs has been coming in the way of a determined effort to carry out this cleansing operation on the home front. The long overdue Cabinet expansion and consequent reshuffle has been repeatedly put off either because she does not want to drop the delinquents and create new pockets of dissidence or she thinks that she can carry on the government only by making the best of a bad situation with as few changes as possible. Her capacity for crisis management has not helped to enhance her reputation for displaying similar single-minded determination to get things done in more normal circumstances.

There are always several layers of parallelism in the functioning of a government. As a sensitive and exposed subject, the conduct of foreign relations attracts more attention. The inter-relation with defence makes foreign policy even more important, requiring a Prime Minister to devote considerable attention to it.

But party stewardship and politico-economic management are no less important in the governance of a country, although they are less glamorous and more exasperating at times. A successful leader can secure his or her power base and make oneself unassailable not by imagining to be infallible but by sensing correctly and responding to the changing mood of the people with an uncompromising espousal of their interests.

The budget exercise that is now going on provides her both with an opportunity and a challenge to live up to the people's expectations. The balmy talk of better days ahead is not going to endear her government to those who are hit hard by inflation. The people are ready to put up with hardships if they are convinced that the rank and file of the ruling party and the parasites that thrive on its patronage are also prepared to make similar sacrifices.

The real threat to Indian democracy is posed by the widespread feeling that those with the right connections can get away with anything, that the system itself is getting remoulded to subserve the interests of the privileged few, while shedding some tears for the plight of the common people.

There has been a deplorable absence this time of even routine new year platitudes. As the ruling party becomes increasingly insensitive to criticism, the Opposition continues to whistle in the dark hoping against hope that some strange combination of adverse factors might open the door for its rehabilitation and renewed relevance. The smell of violence in the air is only a sad reflection of the rapid run-down of the machinery of government.

The creeping indiscipline at all levels of the ruling party is matched only by the astonishing incompetence of the Opposition to provide a better example.

It is not, therefore, surprising if the younger generation totally disenchanted with the present politico-economic dispensation, keeps on asking where does the country go from here. The Indian polity is in need of a shock treatment, not a repetition of what happened in 1975 but something in the nature of a catharsis that can start at the top and percolate to the lower levels for purifying both the soul and spirit of this troubled nation. And the world will keep watching how India is going to cope with this profound challenge to the best of its genius and inherited traditions.

CSO: 4220/7630

ANALYST DISCUSSES EFFORTS TO IMPROVE INDO-U.S. TIES

Madras THE HINDU in English 8 Jan 82 p 9

[Text]

The main thrust of India's foreign policy during 1982 is to be aimed at establishing a reasonably good working relationship with the U.S. without in any way impairing its relations with the Soviet Union.

The Reagan Administration will be entering soon the second year of its four-year term in a mellower mood conscious of the severe limitations of its leverage in dealing with countries like India which will not buckle under political pressure.

Though India, too, has not been able to exert enough influence on Washington to prevent the supply of arms to Pakistan, it has certainly resisted the attempts to compel the country to comply with U.S. policies on a number of issues ranging from the nuclear safeguards to Afghanistan.

There is no formal invitation yet from Mr. Reagan to the Prime Minister Mrs. Indira Gandhi, to visit Washington later this year.

But some discreet enquiries have been made from the U.S. side to find out whether her heavy schedule of foreign trips would enable her to go to the U.S. sometime during late summer or early autumn.

The present assumption is that Mrs. Gandhi would be visiting both Moscow and Washington in the course of this year barring some unforeseen developments on the international scene.

Great relief: There is great relief in Delhi that the Polish crisis has not erupted into an east-west political confrontation, despite the strident at-

titude of the U.S.

It is felt that the way the western allies have for all practical purposes dissociated themselves from the U.S. move for sanctions against the Soviet Union will have a salutary effect on the Reagan Administration in dealing with countries like India which disagree sharply with its militaristic approach to political problems.

It remains to be seen to what extent the U.S. is going to allow its new arms supply relationship with Pakistan to sour its relations with India to the point of increasing the country's reliance on the Soviet Union.

Another test: Another test of the U.S. earnestness in seeking a better understanding with India within the framework of its present policies in the region will be the Administration's stance during the IMF review of the performance criteria in April next, whether Washington will go to the extent of blocking the release of the second tranche of the loan.

The latest World Bank bid to step up the interest rates and service charges for IDA disbursements are not specifically directed against India although the country is going to be affected by it.

Apart from its continued opposition to the supply of advanced weapon systems like F-16s to Pakistan, the Government has been asking strong objection to the U.S. readiness to go along with the Zia regime's concept of a parallel threat to its security from both India and Afghanistan.

Due note has also been taken of the fact that this time there is not even a pretence of any assurance from

the U.S. side that these American arms will not be used against India.

The Indian policy is not to provoke the U.S. but continue to resist the pressures to submit to its policies in the region. It is for this reason that India has not so far taken any unilateral step to abrogate the Tashpur agreement.

The talks with Pakistan on the no-war issue and with China on the border problem are going to be protracted. The Indian stand is to insulate the two dialogues from any superpower interferences.

Set of principles: As an opening gambit, India has spelt out a set of principles which should form the basis for a no-war pact with Pakistan. The most important principle aimed at preserving the non-aligned and bilateral character of their relationship is intended to restrict the scope for further U.S. involvement in Pakistan.

Similarly, the Sino-Indian dialogue on the border issue is being conducted without giving Moscow any opportunity to interfere with it.

U.S. envoy's efforts: The new U.S. Ambassador, Mr. Harry Barnes, has already made headway in the course of his initial contacts with the Government in evolving a mutually acceptable basis for a better Indo-American working relationship within the confines of their respective policies and perceptions.

As a veteran career diplomat he is persevering with his efforts to pave the way for some degree of personal rapport between Mrs. Gandhi and Mr. Reagan at least in spheres where the two countries could move closer in their mutual interest without prejudice to their present postures and attitudes.

INDIA 'SATISFIED' WITH SUPERPOWER RIVALRY

Madras THE HINDU in English 10 Jan 82 p 1

[Text] The U.S. has quietly withdrawn the bulk of the powerful naval armada it had deployed in the Indian Ocean in the wake of the Afghan crisis and the Iraq-Iran conflict, leaving behind only the nucleus of a modest task force.

The two big aircraft carrier groups with nuclear capability, numbering over 30 vessels at one time, have been moved back to the Pacific area to serve as a strategic reserve for use in the two oceans.

The U.S. retains the capacity to reinforce its naval strength in the Indian Ocean at short notice in the event of any fresh developments leading to a renewed confrontation in the Gulf with the Soviet Union. The expansion of the Diego Garcia base is, therefore, continuing to provide the necessary back-up facilities for a rapid redeployment.

New Shore Facilities

The other Western powers like Britain, France and Australia which stepped up their token presence in a show of solidarity with the U.S. have also pulled out their surplus vessels which were not actively engaged in periodically patrolling the strategic sea lanes. But they have been working in close concert with the U.S. in seeking new shore facilities from the littoral States for augmenting their operational capabilities in this vast ocean region.

The Soviet Union, which started this race in the first place, did not attempt to compete with the U.S. in the post-Afghan context with a parallel increase of its own presence, but continued to maintain a substantial number of warships in the area as part of a worldwide superpower confrontation. So there has been no matching reduction in the Soviet strength after the U.S. started thinning out its formidable naval presence.

Strategic Consensus

But otherwise the U.S. has not abandoned its earlier bid for a so-called "strategic consensus" in the area to contain the threat of Soviet "expansionism". It is still toying with the idea of bringing together disparate countries like Egypt, Israel, Saudi Arabia and Pakistan to share this concept and transform West Asia into a bastion against communism.

The Soviet Union is certainly in a position to prick this bubble with some imaginative gesture to settle the Afghan problem. But Moscow is no less ambivalent or intolerant in its political attitudes than Washington, when it is a question of extending their respective spheres of influence or imposing their hegemony on weaker nations.

Encouraging Trend

India which has been closely watching the interaction of these power factors is satisfied that in a small but unmistakable way the two superpowers have started frustrating each other's attempts to dominate the Indian Ocean community by realising the futility of a military confrontation in what is essentially a political rivalry for increased influence.

It is a trend that needs to be watched carefully and encouraged to the extent possible to take the sting out the superpower rivalries and let the countries of the region regain their rightful voice in shaping their own future.

CSO: 4220/7630

PRESS REPORTS PLANS FOR SOUTH-SOUTH MEET IN DELHI

Purpose of Conference

Bombay THE TIMES OF INDIA in English 8 Jan 82 p 1

[Text]

A "HIGH-LEVEL" South-South conference is being convened by India next month to discuss measures to promote greater co-operation among the developing countries and break the impasse in the dialogue for a new international economic order.

The Prime Minister has herself addressed letters to heads of 32 Asian, African and Latin American countries, inviting them to the three-day conference beginning from February 22.

Mrs. Gandhi's view is that collective self-reliance among the developing countries is an important factor for progress towards North-South co-operation.

The view is shared by many third world leaders who feel somewhat disillusioned at the stand taken by the U.S. and some other developed countries on the question of the new international economic order.

HIGH COST OF ENERGY

The high cost of energy, inflationary pressures, stagflation and balance of payments difficulties have created serious problems for the world development process.

The developed countries are resorting to protectionist measures and cutting down their share of concessional development aid on the plea of high inflation, unemployment and recession.

Because most developed countries are dragging their feet, the movement towards the much desired North-South dialogue has been tardy and slow. The summit at Cancun (Mexico) of 22 rich and poor countries in October, though described by Mrs. Gandhi as

a step forward, did not show any concrete results.

India has thus taken the initiative for the South-South conference with a view to evolving a strategy of greater interdependence among themselves and strategy of greater interdependence among themselves and exercise their collective will and power to persuade the rich countries to honour their global obligations.

An official spokesman said that the government had received an "overwhelmingly positive response" to its initiative from the 32 countries.

The government has received indications that participation would be at a high policy-making level. In some cases, leading political figures are expected to take part. Several countries are likely to send senior ministers to the conference.

The conference will focus attention on specific issues of urgent concern to the developing countries. The Indian view is that relatively developed among the third world countries could share their technical know-how and expertise and consider the establishment of joint ventures. Such co-operation could also include help by oil-exporting countries to other developing nations on preferential terms.

On the North-South co-operation, the developing countries want the lifting of protectionist barriers, which affect their exports, stepping up of concessional aid, the creation of an energy affiliate of the World Bank to help the development of conventional sources, like oil, and alternative sources of energy, and the establishment of a food reserve to meet the emergency in times of natural calamities.

PRC to Attend

Bombay THE TIMES OF INDIA in English 12 Jan 82 p 1

[Text]

CHINA and Pakistan would be among the 34 countries attending the conference of developing nations being held here from February 22 at the initiative of the prime minister, Mrs. Indira Gandhi.

The conference, expected to be inaugurated by Mrs. Gandhi, will have four working sessions, two each on February 22 and 23, followed by two final sessions on February 24, according to the spokesman of the external affairs ministry.

China, the spokesman said, would attend as special invitee since it is not considered part of the Group of 77 in the United Nations. The North-South dialogue had been carried out so far on the basis of this grouping.

Apart from China, of the other 33 countries invited for the conference, 12 would be from Asia, 12 from Africa and nine from South America.

The countries from Asia include Bangladesh, Indonesia, India, Iraq, Kuwait, Malaysia, Pakistan, the Philip-

pines, Saudi Arabia, Sri Lanka, United Arab Emirates and Yugoslavia, which has been grouped with Asia.

The African nations attending are Algeria, Ghana, Kenya, Madagascar, Nigeria, Senegal, Tunisia, Tanzania, Zaïre, Zambia, Ivory Coast and Egypt.

The South American countries would be Argentina, Brazil, Cuba, Ecuador, Guyana, Mexico, Peru, Uruguay and Venezuela.

India, the spokesman said, would like a meaningful dialogue on the economic problems of the third world countries that would lead to greater south-south co-operation. The conference follows the meeting of Commonwealth heads of governments at Melbourne and the Cancun summit, which discussed the world economic crisis affecting developing countries and efforts to break the impasse in the North-South dialogue.

The conference will be held at Vigra Bhavan here. The delegates will visit the Okhla and Faridabad industrial estates on February 25.

G.K. Reddy Report

Madras THE HINDU in English 12 Jan 82 p 1

[Text]

As a special gesture, India has invited China to attend the South-South conference in Delhi next month to give the meeting a more comprehensive representative character in pressing forward with its efforts for global negotiations.

Though it is not a member of the Group of 77 representing over 100 developing countries at the United Nations, China participated in the North-South summit at Cancun last October as one of the developing nations.

It is in this context that India has requested China to take part as a "special invitee" and make its due contribution to the deliberations.

But as yet, there is no reply from China excepting the invitation. It was extended on the assumption that Beijing would agree to take part as a logical follow-up of its participation in the Cancun conference.

Altogether 33 countries from Asia, Africa and Latin America have been invited by India to the Delhi conference. The only exception outside these three main geographical regions is Yugoslavia from Europe.

The invitees from Asia include Bangladesh, China, Indonesia, Iraq, Kuwait, Malaysia, Pakistan, Philippines, Saudi Arabia, Sri Lanka, and the United Arab Emirates.

The African countries invited are Algeria, Ghana, Ivory Coast, Egypt, Kenya, Madagascar, Nigeria, Senegal, Tanzania, Tunisia, Zaïre and Zambia.

The Latin American countries are Argentina, Brazil, Cuba, Ecuador,

Guyana, Mexico, Peru, Uruguay and Venezuela.

A small secretariat has been set up to prepare the necessary documents and draw up the draft resolutions for adoption.

The conference will be inaugurated by the Prime Minister, Mrs. Indira Gandhi, on February 22 and addressed by the visiting President of Tanzania, Dr. Julius Nyerere, before the conclusion.

In an interview to an American periodical, Mrs. Gandhi has spoken of the great contribution that India and China could make to the stability and orderly development of Asia if they could cooperate without letting extraneous factors influence their attitudes.

This observation, made against the background of the invitation extended to China is being interpreted as a significant move on India's part to carry forward the process of Sino-Indian normalisation.

PRESS REPORTS INDIAN TEAM IN ANTARCTICA

'Landmark' in Indian Science

Bombay THE TIMES OF INDIA in English 12 Jan 82 p 1

[Text] **A**FTER collecting valuable data during its 35-day oceanic voyage, the Indian scientific expedition to the Antarctica has reached its destination.

The 21-member expedition is currently setting up an unmanned facility for data collection which will be left behind to be made use of later since it will not be linked with a communication system.

The mission led by Dr. S. Z. Qasim, secretary, department of environment, landed on the continent of ice on January 9 at 00.30 a.m.

The achievement was described here by an official spokesman as a "landmark in Indian science." It was the first significant step in a long journey in the area of oceanography. Much later, India is expected to set up a permanent research base there.

India has thus joined a select group of countries which are exploring the region. Indians have gone to the Antarctica earlier as members of the missions sponsored by other countries but this is the first time that an Indian expedition has reached there.

The expedition, which is using a chartered Norwegian ship, "Polar Circle", is expected to return by the middle of next month. The multidisciplinary team which is doing experiments in fields ranging from glaciology to communications and geophysics to marine biology is braving the summer of the Antarctica under temperatures in the range of -10 to -20 deg. C and wind speed of more than 320 km. per hour.

India recognises the Antarctica as a common heritage of mankind and it has no territorial ambitions there, the spokesman said. India also did not recognise any nation's claim on the territory of Antarctica.

He said the expedition was purely scientific. India had not yet given thought to applying for membership of the International Antarctic Treaty.

According to the official spokesman, the expedition was organised in about three months while some advanced countries had taken about 18 months to prepare for such an expedition. The cost of the vessel like the one being used is about Rs. two crores, and half of it would be paid as charter charges for the ship, including fuel expenses.

Most of the equipment for experiments was fabricated in India barring the one for continuous seismic profiling. The cost of the vessel like the one being used is about Rs. 25 crores and in future India may acquire a ship for Antarctic expeditions.

The expedition members have with them frozen Indian food which is also being put through several tests. The weather conditions are such that it is not easy to even pitch a tent. The team had gone through medical tests before joining the expedition and they were also acclimatised to extreme cold and sea conditions. The clothing to protect the expedition members from sub-zero temperatures was made in India.

The entire scientific staff aboard "Polar Circle" is Indian but there are some foreign technicians for the maintenance of the sophisticated continuous profiling system.

The National Institute of Oceanography of the Council of Scientific and Industrial Research is the lead agency of the expedition, which involves members of several national agencies such as Geological Survey of India, India Meteorological Department, National Physical Laboratory and the Indian Institute of Geomagnetism.

Mr. C. P. Vohra, deputy director of the GSI and Dr. H. N. Siddiqui, assistant director of the National Institute of Oceanography, are deputy leaders of the team. The Indian navy is assisting the expedition.

The following are the members of the Antarctica team: Mr. S. Z. Qasim (leader, 54), Mr. H. N. Siddiqui and Mr. C. P. Vohra (both deputy leaders), Mr. R. Sengupta, Mr. E. Desai, Mr. A. H. Parulekar, Mr. M. C. Pathak, Mr. D. V. Rama Raju and Mr. S. C. P. Matondkar (all from National Institute of Oceanography), Mr. A. K. Sharma and Mr. K. N. Karyal (both from Indian Meteorological Department), Mr. A. Sen Gupta (NPL), Mr. R. V. Iyengar (Indian Institute of Geomagnetism) and Mr. D. S. Brar, R. Kulwant Singh, Mr. K. D. S. Sandhu, Mr. D. K. Chandani, Mr. S. Thomas, Mr. Mahapatra, Mr. Sirsat and Mr. J. Saini (all from the navy).

TEAM MEMBERS

India had been considering for some time the possibility of sending a scientific expedition combining deep sea exploration and the study of living and non-living resources in the Indian Ocean and the Antarctica region, an area which is divided from India only by a few islands and the continuous stretch of water of the Indian Ocean.

The Department of Ocean Development felt that such an expedition would add to the knowledge of factors relating to the Indian Ocean and the monsoons on which the economy of the country is critically dependent. There may be other advantages of evaluation of several aspects of life in ice-bound regions which are akin to areas on our northern frontiers. It would help in taking concrete steps for environmental protection in our surrounding ocean areas as well as other linked surroundings.

Studies of annual glacier mass balance are at present providing us data about current short-term climate fluctuation in the Himalayas. Linking this to the annual changes on the largest freeze-melt operation on earth, i.e., in the Antarctic sea region is bound to yield important scientific insights into global weather phenomena, its changes and its effects on our environment.

The Department of Ocean Development is acquiring an oceanographic research vessel from Germany. Negotiations are under way for acquiring two more vessels, one from France and the other from Denmark.

More Details Given

Bombay THE TIMES OF INDIA in English 12 Jan 82 p 5

[Text] **T**HE successful landing of the Indian Antarctic expedition adds a new dimension to the country's growing technological stature. It is sure indication of the country's soaring self-confidence as well as its expanding interest as a technological power.

India's scientific and technological achievements are already impressive. Its accomplishments in the nuclear field, agriculture, electronics and outer space are the envy of even some developed countries. The voyage of exploration into the inner space — the ocean — and to the inhospitable Antarctica by a team of Indian scientists is yet another milestone.

It is not merely to demonstrate its technological prowess, however, that India has undertaken the expedition. It has many reasons to take serious interest in the frozen continent. For one thing, it is a largely unexplored continent where many geological and geophysical secrets are still locked in their pristine condition.

GLOBAL HEAT-SINK

The continent comprising about one-tenth of the earth's landmass in area lies under several thousand metres of ice and hence will provide undisturbed evidence of the geological processes that went on for eons and the weather conditions that prevailed for as long. It is in fact a cosmic record of events kept in nature's cryptic language.

Secondly, Antarctica with its immense ice-pack is a global heat-sink with virtual control over the world's weather. India being a country heavily dependent on its annual rainfall for food production can gain much from a deeper understanding of how the Antarctica factor influences the monsoons.

There are also strong economic reasons for the Indian interest in the apparently waste continent. Antarctic seas abound in krill, a kind of shrimp, of which the exploitable surplus is said to exceed the world's total fish landings. To a country like

India with its depleting fishing grounds the Antarctic seas are a veritable larrier that is practically inexhaustible.

Antarctica is known to contain valuable resources like oil, gas, coal, gold, copper, chromium and lead. Though originally it was the spirit of adventure, or plain curiosity, that brought explorers from far and near to this forbidding land, the knowledge gathered in recent years about its vast hidden mineral deposits has rekindled keen interest in it and even has raised disputes among countries in staking out claims.

These developments may also have influenced India in starting on the present expedition. The setting up of the department of ocean development in July last year and the mounting of the expedition indicate the great importance the government attaches to Antarctica.

India does not, however, have any extra-scientific pretensions. All that it aims to do for the present is to make some preliminary investigations pertaining to Antarctica and its surrounding seas. Since the decision to send the expedition was rather sudden the government did not have enough time to get a ship ready for the purpose.

Its small oceanographic research vessel, *Ganeshini*, did not have room enough for all the equipment as well as the complement of 20-odd scientists and crew. Besides, *Ganeshini* also did not possess either ice-breaking facilities or holds for two helicopters.

After an international search, *M/V Polariskol*, a ship belonging to G. C. Rieber and Company of Bergen, Norway, was acquired on a charter basis along with its crew, who had previous experience of an Antarctic voyage.

Close attention was given to selection of the expedition team. Since the idea was to gather a wide range of scientists were selected from institutions like the Geological Survey of India, the National Institute of Oceanography, the Indian Institute of Magnetism and the meteorological department.

The average age of the team members

was purposely kept around 30 so that they could be associated with the taxing Antarctic expeditions on a continuing basis for one or two decades and, if necessary, in setting up a permanent station on the continent.

The choice of a leader for the expedition was no problem. The honour fell on Dr. S. Z. Qasim, a top scientist and veteran oceanographer. He is at present secretary to the department of environment, but earlier he had headed the prestigious National Institute of Oceanography (NIO) at Dona Paula, Goa.

As deputy leaders two other two experts were selected. They are Mr. C. P. Vohra of the Geological Survey and Dr. H. N. Siddiqui of the NIO.

The expedition to Antarctica was launched from Goa on December 6 without fanfare. (India is the third developing country to do so — the first two are Argentina and Chile). It took exactly one month for the expedition to reach the destination.

The expedition is expected to remain in Antarctica for a fortnight during which time the experts will collect data on glaciology, meteorology, ecology, geomagnetism, and carry out some studies in chemical and physical oceanography and Antarctic biology. Some radio communication experiments are also planned.

Before returning home the team is expected to leave a copper plaque with inscriptions in Hindi and English to commemorate the visit. The government has not decided to establishing a permanent research base in Antarctica, but there is already a plan to acquire a full-fledged oceanographic ship suitable for Antarctic expeditions.

After showing the tricolour the government is likely to apply for admission to the Antarctic treaty signed by 12 countries in 1969. One of the conditions for its membership is that the applicant must have a serious research interest in Antarctica and must have a base there.

Though the original purpose of the treaty was to preserve area exclusively for peaceful research, its character seems to have undergone a radical change. For instance, seven of the original treaty members (Chile, Argentina, the U.K., France, Norway, New Zealand and Australia) now mask territorial claims in the area, though the remaining five (Belgium, Japan, the U.S., the USSR and South Africa) do not have claims and do not recognise any.

In spite of these signs of discord the 12 countries seem to be one in keeping the exclusive nature of the Antarctic club, for, though any U.N. member is free to sign the treaty, full consultative membership to new members is virtually barred. To date no acceding party has been admitted to the consultative membership although applications have been made.

On the other hand these 12 consultative members try and prevent any outside initiative to raise the issue of Antarctica's future as if they consider themselves the sole proprietors of the area. In this atmosphere it is anybody's guess if India will be admitted to the club when it applies to it after establishing a base.

Gandhi Congratulates Team

Bombay THE TIMES OF INDIA in English 12 Jan 82 p 1

[Text]

NEW DELHI, January 11 (PTI): The prime minister, Mrs. Indira Gandhi, today described the landing of the Indian Oceanic expedition in Antarctica as "the fulfilment of one of my long-standing wishes."

Congratulating all members of the expedition, the prime minister in a message said, "What thrilling news that our Indian Ocean and Antarctica expedition has landed on Antarctica."

"The Indian Ocean links India to Antarctica. The entire area is of deep interest to us and ocean studies are of vital importance," she said.

Mrs. Gandhi said, "May their voyage encourage the spirit of adventure and enquiry, especially amongst our young people, and take us forward to greater successes in science."

Prof. Nurul Hasan, vice-president of the Council of Scientific and Industrial Research (CSIR) described the successful landing as a magnificent new year gift to the country.

In a message of congratulation to Dr. Z. A. Qadir, leader of the expedition, Prof. Hasan said, "The country is proud of your great achievement. 'All our good wishes are with you,' the message said."

CSO: 4220/7636

REDDY SPEAKS ON PUBLIC SECTOR MANAGEMENT

Bombay THE TIMES OF INDIA in English 8 Jan 82 p 5

[Text]

THE President, Mr. N. Sanjiva Reddy, said here today that the public sector enterprises should be given a reasonable degree of autonomy in their operational management once the specific objectives of these enterprises were fulfilled and the targets laid down.

Laying the foundation of the second captive power plant of the Rourkela steel plant, the President said public enterprises managers were liable to feel unhappy and demoralised "when they feel that someone is constantly driving them from the back seat."

Mr. Reddy emphasised that selection of personnel for top management positions in the public sector had to be done carefully and only men of proven ability, integrity and those having qualities of leadership should occupy such positions. Once selected, the top managers should be allowed a free hand and security of tenure for a sufficiently long period to enable them to achieve results, particularly in terms of high capacity utilisation, he said.

The 12 m.w. captive power plant, with two units of 60 m.w. each, is targeted to be completed within three years to maintain continuity of power supply for better utilisation of the steel plant's capacity.

The President stressed the need for optimising the capacity utilisation of public-sector enterprises in

the core sector — power, coal and steel — which were highly capital intensive with long gestation periods. Unless the managers optimised capacity utilisation promptly and also executed new projects speedily, the effects on the national economy would be adverse and the cost of delay could be enormous, he warned.

BETTER MANAGERS

Mr. Reddy underscored the need to build up a distinctive cadre of public enterprise managers. He noted that over the last decade or so the necessity of developing "public enterprise administration" as a separate profession distinct from either business administration or public administration had been recognised, leading to a "remarkable improvement in the professionalisation of public enterprise management".

Increasingly, the top and senior-level posts in the public enterprise were being occupied by persons with the necessary academic and professional background and managerial experience. The number of managers employed in Central public enterprises was more than one lakh. The richness of work experience and professional expertise they had acquired at various levels and positions of responsibility should be utilised in the best possible manner, the President said.

CSO: 4220/7624

CHANGES IN FOREIGN MINISTRY POSTS ANNOUNCED

Bombay THE TIMES OF INDIA in English 7 Jan 82 p 1

[Text]

NEW DELHI, January 6: The appointment of Mr. M. K. Rasgotra as foreign secretary was approved today by the Prime Minister. Mr. Rasgotra, who is now India's ambassador in France, succeeds Mr. Ram Satha, who is due to retire in April.

Mr. Eric Gonsalves, who, in his capacity as a secretary to the ministry, has been associated with sensitive negotiations with China and the United States on the fate of the Indo-U.S. co-operation on the Tarapur atomic power station, goes to Brussels as ambassador to Belgium to be concurrently accredited to the European Economic Community.

Mr. K. S. Bajpai, who is now ambassador to China, will succeed Mr. Gonsalves. The appointment of Mr. Bajpai, who served with distinction both in Pakistan and China, should facilitate a decision on the next round of talks with China on bilateral matters. Mr. Bajpai was closely associated with the recent talks in Beijing where the Indian delegation was led by Mr. Gonsalves.

While Mr. Narendra Singh, who is now India's ambassador to Switzerland, is most likely to succeed Mr. Bajpai in Paris, a decision on the choice of the next ambassador to Beijing has yet to be made. Indications are a career officer will be selected to head the Indian mission in Beijing.

Mr. Ram Satha, who retires after a distinguished career in the foreign service, is being considered for several important assignments.

ANALYST DISCUSSES DIFFERING VIEWS ON NO-WAR PACT

Madras THE HINDU in English 14 Jan 82 p 9

[Text] The External Affairs Ministry wants to finalise the appointment of new Ambassadors to China and Pakistan soon to avoid a gap in Indian representation in Beijing and Islamabad after the present incumbents return to take up their new postings in Delhi.

It has tentatively selected Mr. A. P. Venkateswaram, who is at present permanent representative to U.N. office in Europe, as the next Ambassador to China, while Mr. K. D. Sharma, now High Commissioner to Australia, is likely to be sent to Pakistan.

These two appointments have come to assume considerable importance in view of the on-going talks with China on the border issue and with Pakistan on the proposed no-war pact. It is for this reason that the External Affairs Ministry is keen that there should be no long break in Indian representation there.

The next round of official level talks with China, due to be held in Delhi some time in May or June, will be important in the sense that the two sides will be coming to grips with the problem after having spelt out their respective approaches on the last occasion. The Chinese indicated during the opening round in Beijing that they would prefer a comprehensive settlement, while India indicated a preference for a sector by sector discussion, starting off with the Colombo proposals of 1962.

Shah coming on 28th As regards the impending Indo-Pakistan dialogue on a no-war pact, the Pakistan Foreign Minister Mr. Agha Shahi, will be arriving in Delhi on January 29 to begin the talks the next day, according to Radio Pakistan.

He will be accompanied by the two senior-most officials of the Foreign Ministry, Mr. Riyaz Piracha and Mr. Shah Nawaz who are quite familiar with Indo-Pakistan problems.

Mr. Shahi is arriving a day earlier to witness the passing of reined ceremony, the musical extravaganza by massed bands of the Indian Armed Forces, as part of the Republic Day week celebrations in Delhi.

In regional diplomacy, it is customary to exchange written communications after preliminary discussions. But in the present case, India and Pakistan have been conducting their dialogue through sides memos before the two Foreign Ministers and their advisers have met to discuss their respective approaches to a no-war pact.

This reversal of procedure has not really helped since the two sides have already committed themselves in writing on their concepts of renunciation of the use of force for settling their disputes. In adopting some of the basic principles spelt out in the Indian communication, Pakistan has agreed that the proposed no-war pact should fully reflect their shared commitment to renunciation of respecting each other's territorial integrity and resolving all their outstanding disputes peacefully without any outside interference.

Differing interpretations But the two interpretations of bilateralism differ sharply in the sense that Pakistan has been taking the stand that the Simla agreement cannot override their rights and obligations under the U.N. Charter, which entitles a member country to take an issue like Kashmir to the international forum, if it could not be settled directly between them. There is a similar difference of opinion on the nature of their security relationship with third countries, although both agree that they should discourage Big Power interference in the region.

Talks with Bangla Meanwhile, the Foreign Secretary of Bangladesh, Mr. Humayun Rashid Choudhury, has arrived in Delhi for bilateral talks with his Indian counterpart, Mr. Eric Gonsalves, on

outstanding Indo-Bangla issues like Feniela waters, the New Moore island and the maritime boundary question.

The technical discussions have been going on for the last few days at the level of technical experts on land boundary demarcation which involves the transfer of some enclaves on either side.

At a time when India is already engaged or is about to be engaged in important bilateral talks with neighbouring countries like China, Pakistan and Bangladesh, the External Affairs Ministry is going through far-reaching changes at the top level involving reassignment of several senior officials dealing with important territorial divisions.

The earlier intention was that the new Foreign Secretary, Mr. M. K. Rasgotra, will join the Ministry as an Officer on Special Duty at the end of December to be closely associated with all these changes, but there has been the usual delay in the finalisation of his appointment.

The reallocation of work among the new Secretaries and Additional Secretaries can be completed only after Mr. Rasgotra has assumed charge, which means that the present ad hocism will continue for some more time. It will certainly entail some delay in the finalisation of the policy positions on some of the issues under discussion with China, Bangladesh or Pakistan.

AMBASSADOR TO PAKISTAN ASSIGNED NEW DUTIES

Bombay THE TIMES OF INDIA in English 9 Jan 82 p 1

[Text] India's ambassador to Pakistan, Mr. K. Natwar Singh, is being appointed secretary in the ministry of external affairs.

Mr. Singh, closely associated with the current negotiations on a non-aggression pact between India and Pakistan, is due to join his new assignment by April.

Mr. Singh will primarily be responsible for co-ordinating the preparations for the Commonwealth prime ministers' conference to be held here next year. The conference will be inaugurated by the Queen.

There will be now as many as four secretaries in the ministry of external affairs. Mr. Singh is also likely to head a new division to be set up to strengthen relations with immediate neighbouring countries. At present, India's relations with, for example, Pakistan and Bangladesh are looked after by the foreign secretary and the secretary (east), respectively.

Mr. Ramesh Bhandari, who as secretary has been prominent in giving a commercial thrust to the foreign policy, will continue to head the economic division.

Mr. K. S. Baipai, who will succeed Mr. Eric Gonsalves as secretary (east), will largely be preoccupied with India's relations with the United States and China.

CSO: 4220/7627

INDIA PROPOSES COLLABORATION WITH MAURITIUS

New Delhi PATRIOT in English 13 Jan 82 p 5

[Text]

INDIA has proposed Mauritius collaboration in setting up joint projects in Mauritius in key areas like production of newsprint from bagasse with buy-back arrangements.

Commerce Minister Pranab Mukherjee made the proposal when his Mauritius counterpart D Basant Rai and Finance Minister of Comoros Syed Kafe jointly called on him on Monday evening.

The Ministers discussed India's trade relations with Mauritius and Comoros Island and noted joint ventures in various fields were moving satisfactorily.

Mr Mukherjee called for identification of more areas for launching such ventures.

Mr Rai said that these suggestions would be given full consideration.

Mr Mukherjee stressed the need to enter into an agreement on economic and technical co-operation with Mauritius.

Ways and means of increasing and diversifying Indo-Comoros trade were also discussed in the meeting. The two Ministers felt that although the volume of trade between India and Como-

ros was negligible, at present there was plenty of scope for increasing it.

While India's imports from Comoros Island are practically nil, its main exports are cotton fabric, machineries, garments, clothing accessories and footwear.

India's exports to Mauritius have been gradually increasing over the years. Its exports were worth Rs 17.05 crores in 1979-80 as compared to Rs 14.82 crores in 1978-79 and Rs 10.70 crores in 1977-78.

Imports from Mauritius were worth Rs 4.64 lakhs in 1979-80 as compared to Rs 0.73 lakhs in 1978-79 and Rs 1.31 lakhs in 1977-78. India's main items of exports to Mauritius are cotton manufactures, transport equipments, jute manufactures, iron and steel, non-electric machinery, etc. However, India's share of Mauritius global imports is only 3.87 per cent.

CSO: 4220/7638

FIRST INDIAN ELECTRON MICROSCOPE DEVELOPED

Bombay THE TIMES OF INDIA in English 9 Jan 82 p 12

[Text] The Central Scientific Instrument Organisation in Chandigarh has developed the first Indian electron microscope, Dr. Harshavardhan, CSIO director, told the Indian science congress.

The electron microscope, which can scan the object material, will be available for commercial exploitation in 18 months time, he said in his address at a symposium on the development of sophisticated instruments in India.

The CSIO is currently tackling problems involved in improving the resolution power of the electron microscope, he added.

Dr. M. Ramakrishna Rao of the Indian Institute of Science said increasing sophistication was rendering analytical instruments obsolete every ten years and this coupled with inflation had escalated costs at instrumentation centres, each of which require about 30 to 40 instruments costing crores of rupees—mostly in foreign exchange.

Dr. Rao said repair of old instruments had become increasingly difficult and time-consuming as their main parts had become obsolete and components were difficult to replace. Trained technical personnel with adequate remuneration should be deployed for maintaining equipment in a good condition, he said.

CSO: 4220/7627

MINISTER, OTHERS DISCUSS TRADE WITH FRG

Bombay THE TIMES OF INDIA in English 12 Jan 82 p 3

[Text]

THE Union minister for industry, Mr. N. D. Tiwari has said that openness and continuity of collaborative efforts should displace the practice of one-time transfer of technology as this alone, according to him, would contribute to an enduring association and abiding technological progress.

In his speech (which was read out by Mr. S. K. Wankhede, former minister of Maharashtra), Mr. Tiwari pointed out that there had been a steady increase in the export of non-traditional items and of industrial products manufactured with FRG collaboration.

The minister, in his address to the annual meeting of the Indo-German Chamber of Commerce, here today, stated that with an association of this nature of transfer of technology, short-term imbalance in trade with any individual country should cause no concern at all. He suggested that a pattern of technological relationship that promoted the maximum good of both the countries should be evolved. An important inducement, he added, for the transfer of technology was the capability of the recipient supported by the R & D efforts of the collaborator to shift the technology, refine it, enhance it and give it a broad spread.

Earlier in his welcome address Dr. H. Langer, the president of the chamber, pointed out that during 1981, Indo-German trade would have surpassed the figure of Rs. 1,200 crores against Rs. 1,000 crores in 1980. He also pointed out that for the first time, German investment in this country surpassed the mark of Rs. 800 million.

Dr. Langer felt that multi-lateral and bilateral direct investment required corresponding incentives and security for the investor or capital donor. At present there were 511 Indo-German industrial collaborations in existence, which showed the readiness of German companies to give sophisticated know-how to India as well as the positive response of Indian companies towards such co-operation.

Awards for outstanding export performance by Indo-German joint ventures and outstanding achievements in Indo-German trade relations by an Indian or a German company were distributed by Dr. (Mrs.) Lindemann, German consul-general in Bombay.

The award winners included The Century Spinning & Manufacturing Co., Bombay. (for the second year in succession), Kings International, Bombay, Dr. Beck & Co. (India), Bombay and Trans-Asia Carpets, Sikandraabad. Mr. Akbar Hydari, president-elect of the chamber proposed a vote of thanks.

CSO: 4220/7636

KAMPUCHEAN ENVOY SPEAKS AT NATIONAL DAY MEET

New Delhi PATRIOT in English 7 Jan 82 p 10

[Text]

Kampuchea will firmly resist any outside attempt to alter the country's destiny, said Kampuchean Ambassador to India Dith Munty on Wednesday.

Speaking at a function organized by the All India Peace and Solidarity Organisation on the eve of the third Kampuchean National Day, Mr Munty said any interference, even when it comes from the United Nations, would not be tolerated by Kampuchea.

Charging the United States and China will attempt to destabilise the internal situation in his country, Mr Munty said that some countries in the region, like Thailand which was providing a sanctuary for the Pol Pot forces, were helping the imperialist designs.

The ambassador pointed out that the alliance of these forces was resulting in constant threats to the sovereignty and territorial integrity of Kampuchea. Recently, he said, Thai forces had intruded into the Kampuchean territorial waters and abducted a boat full of men. Attempts by the Kampuchean Government to take up the issue with Thailand were, however, ignored, Mr Munty revealed.

Seeing against this backdrop, the presence of Vietnamese troops in his country was justified, he said and emphasised that these troops would continue to remain in Kampuchea till such time as the country faced imperialist threat.

On development front, Kampuchea had achieved much in education, agriculture and other fields, Mr Munty said, but added that much remained to be desired in the sphere of raw materials, seeds, fertilisers and sophisticated technology. He was optimistic that the friendly countries it would soon help Kampuchea tide over this difficult situation.

Former Foreign Secretary T N Kaul called for greater cooperation among the countries of the South East Asia and Indo-China regions to guard against foreign threats.

Sounding the warning note that "the freedom of the countries in this region had never been more in peril than now", Mr Kaul urged these countries to join forces to resist attempts of foreign domination.

Also among those who addressed the gathering were the Vietnamese Ambassador Nguyen Quang Tao and Mr I K Gintal, former Ambassador to USSR.

The function was attended by a large number of diplomats from Socialist countries and representatives of the African National Congress (ANC) and the South West African People's Organisation (SWAPO).

NEXT ROUND OF SINO-INDIAN TALKS LIKELY IN MAY

New Delhi PATRIOT in English 11 Jan 82 pp 1, 7

[Text]

INDIA and China are likely to have further talks in New Delhi on the border issue towards the end of May, reports PTL.

Informed sources said that the talks will be at the level of senior officials as in the case of the first round, which was held at Beijing last month.

Vice-Foreign Minister Han Nian-Long who led his country's delegation at the Beijing talks, might again do so at New Delhi. Secretary in the External Affairs Ministry Eric Gonsalves who led the Indian team, is now, ever, tipped for an important posting in the near future.

The foreign office is studying the exchange of views that had taken place at Beijing. The two Governments are likely to get in touch with each other shortly to set the dates for the New Delhi talks.

External Affairs Minister P V Narasimha Rao told Parliament last month that although fairly wide differences persisted on the border issue, "we hope that they could result in a better understanding of each others' positions".

In the light of the report of the Indian delegation, the Government was now considering how it should "take this matter

forward" Mr Rao said adding that "the fact of the meeting itself was a 'positive step'".

China too had expressed satisfaction at the outcome of the Beijing talks, with Communist Party Vice-Chairman Deng Xiaoping, stating recently that the talks were "extremely favourable".

RAO'S VISIT

Mr Narasimha Rao also told PTL last week that he expected efforts at normalisation of Sino-Indian relations in several fields to make progress during 1982.

According to informed sources Mr Rao might undertake a visit to China before the end of this year in response to the invitation of his Chinese counterpart Huang Hua.

No official word is available on the details of the Beijing discussions but the Chinese side is believed to have favoured a 'comprehensive settlement' of the border problem on the basis of the 'package' which would have meant exchange of some areas which belong to India.

India reportedly told the Chinese side that such a package was unacceptable to this country.

Mr Narasimha Rao had told Parliament that India has no plans to exchange the Aksai Chin area for the Chumbi Valley.

EXPECTATIONS FROM NO-WAR TALKS DISCUSSED

Madras THE HINDU in English 11 Jan 82 p 1

[Text] 5 The Foreign Minister of Pakistan, Mr. Agha Shahi, and his advisers are reported to be working on a draft declaration for negotiating a no-war pact with India on the basis of some agreed principles.

But there is no firm indication yet whether Mr. Shahi will present this draft at the coming talks in Delhi, or merely seek clarifications of the stand India has taken in its recent aide memoire on the subject.

The Indian communication stressed the need for some basic understanding between the two countries on the nature of the relationship they would like to establish in terms of their shared commitment to non-alignment and obligation under the Simla agreement to settle all disputes, bilaterally, without outside interference.

It was implied that, as a signatory to a no-war pact with India, Pakistan should be prepared to steer clear of any big power entanglements and end its adversary role aimed at impairing Indian interests in the region.

Pak. conceits: But the Pakistani perception of a no-war pact is that, consistent with their respective security considerations, the two countries should work together in a spirit of mutual confidence to remove the root cause of their persisting fears and suspicions that have led to continued tensions in the sub-continent. It meant that, either as an essential prelude to or as a logical follow up of a no-war accord, India should accede to the Pakistani plea for talks on Kashmir as provided for in the Simla agreement.

The ploy that President Zia-ul-Haq is using to induce India to reopen the Kashmir issue is that it would enable

him to utilise the spirit of goodwill and psychology of conciliation generated by a no-war pact to accept with some minor modification the present de facto division of the disputed State.

But the Prime Minister, Mrs. Indira Gandhi, is well aware that the late Mr. Z. A. Bhutto had held out a similar hope at the Simla conference to get a better bargain on release of prisoners-of-war and return of occupied territories, at a time when Pakistan was left with no other leverage.

"Balanced reduction": Another assurance that Pakistan proposes to seek in advance, according to some Western diplomats in close touch with Islamabad, relates to military level talks for a balanced reduction of forces to make the no-war pact more meaningful, since mere renunciation of the use of force cannot create the necessary confidence for averting the dangers of a continued arms race in the sub-continent.

An unmistakable implication of the move would be an unwitting acknowledgement by India of the Pakistani contention that it has to cope with equally serious security problems both on its western and eastern frontiers, from the Soviet troops based in Afghanistan as well as the Indian forces in the sub-continent, in return for Islamabad's tacit recognition of India's dual responsibilities on its borders with China and Pakistan.

The trap: Any proposal for a balanced reduction of forces in the context will have to be based on the hypothesis that both countries are saddled in their own way with equally formidable two-front defence burdens. The trap that Mrs. Gandhi has been talking about relates to the aspect of the no-war idea now being propagated by Pakistan.

The Pakistan Foreign Minister, Mr.

Shahi, is not expected to spell out all his thoughts or unfold his approach in full at his first encounter with his Indian counterpart, Mr. P. V. Narsimha Rao at the end of the month in Delhi. His strategy would be to put India on the defensive by pressing from the very beginning for a much wider no-war concept than envisaged in the past, something that goes far beyond a ritual renunciation of the use of force in the shape of mutual guarantees of non-aggression.

The preparatory work for the impending Indo-Pak dialogue is, therefore, being done in greater depth taking all these factors into consideration. It would not be surprising if Mr. Shahi starts harping on the provisions of the 1949 Indian draft which talked of settling their disputes by mediation and arbitration, if they could not be resolved through direct negotiations.

The Indian offer was made in the then prevailing circumstances when the two countries were faced with a host of problems in the wake of partition, like evacuee property, continued migration from East Bengal, use of river waters and division of military stores apart from the Kashmir conflict.

The Simla agreement had explicitly ruled out the resort to mediation or arbitration by irrevocably committing the two countries to settle bilaterally all their outstanding problems, including the Kashmir issue, without any outside interference.

And India will avail of the very first opportunity to make this position abundantly clear, leaving no scope at all for any fall back to the 1949 draft. The principles stipulated in the Indian aide memoire were intended to forewarn Pakistan well in advance that the proposed no-war pact must be based on an unconditional acceptance of the concept of bilateralism governing all aspects of Indo-Pak relations.

DEMOCRATIC SOCIALIST PARTY POLICY, PROGRAM TOLD

Calcutta THE STATESMAN in English 9 Jan 82 p 9

[Text]

NEW DELHI, Jan. 8.—Announcing the policy statement and programme of his party, the Democratic Socialist Party, Mr H. N. Bahuguna, said yesterday it would stand for democracy, socialism, secularism and national integration.

Mr Bahuguna came out of hospital to address a Press conference. He said that about 200 delegates of the three constituents of the Democratic Socialist Front, made up of the Socialist Party led by Mr Maniram Bagri and Mr Raj Narain and the Janaradi Party led by Mr Banarsi Das, had drafted the policy paper during the past two days. It had elected him the president of the new party on Wednesday. A national convention of the party would be held soon to adopt its constitution, policy statement and programme.

Mr Bahuguna said that his party would stand for decentralization and devolution of political and economic power to small units. The administration would be accountable to the elected bodies.

The party would also stand for inner-party democracy. The power of selection of candidates would be given to the local activists, in order that the candidates were chosen at the "grassroot level".

The DSP would pledge itself to protect and preserve the federal character of our polity while accepting that the quantum of autonomy for the State and issues relating to devolution of funds may be reviewed from time to time.

It would stand for complete social and economic equality among all citizens and the end of exploitation in all its forms. The gap in the income of the rich and poor is to be bridged. The highest income will not exceed ten times the lowest.

The party believed that a socialist society cannot be achieved without a completely secular outlook that makes no distinction between citizens on the basis of religion, racial origin or birth. The party believed that the Indian culture is a composite one to which substantial contributions have been made by different faiths having different origins. The party would abolish the caste system and encourage inter-caste marriages.

The party believed that time had come to change the strategy of planning so that planning in many areas originate at the village level. The party would encourage and give protection to rural industries, handloom, small-scale and ancillary industries. It is opposed to the new industrial policy of 1980, the DMF loan and the Special Bearer Bonds.

In foreign affairs, Mr Bahuguna said, his party stood for non-alignment. The foreign policy would be based on India's national interest and not subservient by the "stance and nuances of the ruling party as now."

Mr Bahuguna said that atrocities against Harijans could not be stopped "by merely shedding crocodile tears", but by taking concrete steps that gave them protection against such atrocities. He said that to begin with every district where such atrocities were taking place or where tension was developing should have a volunteer force to take care of the life and property of the Harijans.

INDIA'S FOREIGN TRADE REPORTED IMPROVED IN '81

Calcutta THE STATESMAN in English 11 Jan 82 p 9

[Text]

NEW DELHI, Jan. 10.—The outlook for India's foreign trade brightened in 1981 after a difficult year of low export growth and high trade gap, reports PTI.

The trade deficit during the seven-month period April to October 1981 was lower at Rs 2,923 crores, compared to the provisional deficit of Rs 3,144 crores during the corresponding period in 1980.

An official review says that exports registered about 14% growth while imports rose by 4% in April-October, 1981, compared to the provisional figures for 1980.

The main areas whose export performance during April-September 1981 has shown considerable improvement are: agricultural and allied products (43%), chemicals and related products (22%), textile sector (20%), handicrafts, excluding gem and jewellery (22%) and engineering goods (20%).

The year 1981 also witnessed a series of new policy measures initiated by the Government to boost exports. These include reorientation of import policy to encourage export production, exclusion of production for export for the purpose of determining 'licensed capacity' and 'dominance', flexibility of operation within an industrial licence for export purposes and favourable treatment to technology imports for export production which involve lumpsum payment of royalty.

During 1981, India continued its policy of exploring new and non-traditional areas, specially in the developing countries while improving upon its exports to the traditional areas. The Soviet Union emerged as the largest single trading partner of India in 1981 with a trade turnover of about Rs 2,500 crores.

ELECTION COMMISSION RECOMMENDATIONS REPORTED

Calcutta THE STATESMAN in English 11 Jan 82 p 9

[Text]

NEW DELHI, Jan. 10—A one-day countrywide general election and introduction of electronic voting machines within three years are among the major recommendations made by an expert committee, constituted by the Election Commission, reports PTI.

The six-member committee on "uniform pattern of election machinery at various levels in states and union territories" has also recommended that the Chief Electoral Officer in a State should be the Chief Secretary.

In its 61-page report, the committee headed by Mr. A. Sampath Kumar, Chief Electoral Officer, Karnataka, recommended that all those engaged in election work should be given some "decent remuneration".

The committee said: "A single day poll in all States and Union Territories, except in areas which may be snow-bound, is the goal to be achieved".

Welcoming the Chief Election Commissioner, Mr. S. L. Shukla's decision to introduce electronic voting machines on a trial basis, the committee observed that even though initial investment on these machines might be high, "it will be desirable that the States and the Union Territories go in for them within three years or so".

The Central Government should agree to bear half the expenditure thereon as usual. The use of elec-

tronic voting machines will reduce the demand for manpower by more than 50%, which itself will drastically reduce the expenditure.

The Election Commission has already placed orders for 300 electronic voting machines with the state-owned Electronics Corporation of India, Hyderabad, and Bharat Electronics. These machines will be tried in bye elections sometime this year.

The following are some of the other salient features of the recommendations: "An intensive revision of voters lists should not be a long drawn-out affair. It should not normally exceed six months. The final publication of the list should be quite close to the date of the general election; the success or otherwise of any election depends upon the accuracy of the electoral rolls and the people entrusted with their preparation and checking should be selected with care; the period of enumeration should not be less than one month including holidays; and both in rural and urban areas, the daily coverage by each enumerator may be about 25 households."

CSO: 4220/7632

SOPHISTICATED EQUIPMENT BEING PRODUCED FOR ARMY

Calcutta THE STATESMAN in English 14 Jan 82 p 13

[Text]

NATIONAL Instruments, a Central Government undertaking, has taken up a project to manufacture sophisticated geodetic distance-measuring apparatus and laser equipment for the Army. All this equipment is now imported. Mr P. R. Rao, chairman of the organisation, said in Calcutta on Wednesday.

Mr Rao said that the geodetic equipment, which could provide numerical record of distances in a short time was important for laying out artillery and for digging trenches in minefields. The principle was based on reflection of infra-red rays. The cost involved in the project was about Rs 24 lakhs.

The chairman said that National Instruments was also helping the Research and Development wing of the Defence Ministry to manufacture a system of throwing laser beams which had extensive use in artillery. The beams had a range of kilometres to 10 kilometres and could be used for finding the distance of targets when these were visible.

National Instruments, which

will complete 150 years on January 17, uses about half of its capacity for production of defence needs. Most of these products are optical equipment, including night vision devices. It was also developing some "passive devices" for better visibility in twilight. Mr Rao said that some of the equipment could be used by the police and the Border Security Forces as well.

The firm, located at Jadavpur in Calcutta, also manufactures different types of binoculars, telescopes, theodolites and other survey instruments. Since 1978, it has started production of gas meters, cameras and optical scale reading devices for use in factories. It is also perfecting a device called "tachograph" which, when installed in railway locomotives, could record the speed of the train continuously along with the time.

Mr Rao said that the company was now running at a loss, but with its diversification programme, it was expected that the firm would break even during the next few years.

CSO: 4220/7640

FINANCE MINISTER, UK VISITOR DISCUSS AID FUNDS

New Delhi PATRIOT in English 13 Jan 82 p 8

[Text]

THE flow of funds from the International Development Association (IDA) to the developing countries figured in the talks UK Minister of State for Foreign and Commonwealth Affairs Douglas Hurd had with Finance Minister R Venkateswaram, reports UNI.

During the hour-long talks, Economic Affairs Secretary R N Malhotra and the British High Commissioner in India, John Thomson were also present.

The Finance Minister is understood to have stated that Britain, as an important member of the World Bank and IDA, should exercise its influence to see that developing countries get sustained assistance for their projects.

Mr Hurd is understood to have said that his government was aware of the difficulties that have arisen with regard to IDA's funds and was making efforts to ensure that IDA programmes did not suffer.

Both Ministers recalled the long-standing ties between the two Governments and hoped that the forthcoming visit of Prime

Minister Indira Gandhi to Britain would lead to intensive co-operation between the two countries in various fields.

AID TO ARDC

Britain is providing a further grant aid of Rs 7.9 crores approximately to the Agricultural Refinance and Development Corporation (ARDC) to support India's system of long term agricultural credit, PTI adds.

An agreement on this was signed on 6 January.

The British aid will not only help the Corporation support credit mainly for minor irrigation improvements but also for horticulture livestock and fisheries projects especially those benefiting small farmers.

Earlier, two grants have been provided by Britain in support of ARDC's operations, Rs 26.3 crores in March 1979 for expenses up to end 1979 and Rs 18.3 crores in December 1980 for expenses up to end 1981.

These grants form part of the British bilateral aid programme to India which amounted to Rs 345 crores in the financial year ending in March last year.

CSO: 4220/7638

CUBA'S AMBASSADOR SPEAKS AT DELHI MEETING

New Delhi PATRIOT in English 13 Jan 82 p 10

[Text]

DURING the 23 years since the Revolution, the Cuban people had waged a relentless struggle against US Imperialist aggressions and the "hawks of war" are wrong if they think the Cuban people can be intimidated.

Expressing these views at a meeting in the Capital on 'Cuba in the struggle for peace and freedom in the Caribbean', Cuban ambassador Jose Ferrer Novoa said on Tuesday that to tell this history is to recall the history previous to the Bay of pigs and the missile crisis.

'The people of Cuba prefer the prevalence of sense and logic in international relations, to be able to live in a world of understanding and detente, to preserve the mankind and its achievements', he observed.

Mr Novoa said it would be tiresome to continue the wide list of new provocations, aggressions and threats which the Reagan group carries out against the Cuban revolution, against the revolutions in Nicaragua Grenada and against the dignity and sovereignty of all Latin American people.

He said that today, other peoples and governments reject the orders and mandates of the imperialist government of the United States, and its one-time secure and all power backyard is shaken by the imperative forces of the people's struggle for independence, national sovereignty and respect for their national wealth and resources.

Mr Novoa said that 'in celebrating the 23rd anniversary of the Cuban revolution, we want to express the eternal gratitude of my people for the many solidarity actions that the Indian people have always had with our struggle. We could almost say that we are not celebrating the 23rd anniversary of the Cuban revolution but also 23 years of solidarity and brotherhood between peoples of India and Cuba'.

Prof Rasheeduddin Khan MP, said when we remember the historic revolution of Cuba, images come to mind — a heroic small country defying one of the biggest imperialistic structures — which reminds us of the story of David and Goliath.

He said that from Cuba one also learns the lesson of unbounding courage and the courage to never yield or lose.

Earlier, a group of young people belonging to the All-India Peace and Solidarity Organization sang a popular patriotic Cuban song by a Cuban revolutionary poet — 'One Tana Mera, Vahira one Tana Mera'. An Indian patriotic song was also sung and a famous poem by Indian revolutionary poet Subramania Bharati was recited.

SPOKESMAN DESCRIBES '82 CRUDE IMPORT TIE-UPS

New Delhi PATRIOT in English 12 Jan 82 p 8

[Text]

An official spokesman told PTI on Sunday that agreements for supplies signed or finalised include 35 million tonnes from Iraq, 33 million tonnes from Iran, 265 million tonnes from Saudi Arabia, 2.5 million tonnes from the Soviet Union, one million tonnes from the United Arab Emirates and 0.5 million tonnes each from Nigeria and Venezuela.

The oil imports this year are expected to be 14.5 million tonnes—about two million tonnes less than in 1981.

This will be the second successive year India will be getting crude from Latin America. Last year, contracts were signed for the supply of 0.5 million tonnes of oil from Venezuela and one million tonnes from Mexico.

But the Mexican supplies being of heavy crude, were found unsuitable after they were put through for preliminary tests at the Cochin refinery for middle distillates.

Venezuela has given the assurance of doubling the supplies if need be.

The emphasis on lesser imports this year is borne by the fact that indigenous production 'has dramatically' risen from 9.39 million tonnes from the onshore and offshore fields 'in 1980 to an estimated 14.56 million tonnes as of the year-end marking 55 per cent increase during the year. The financial year of 1981-82 is expected to close with a production of 16

million tonnes as against 10.3 million tonnes in 1980-81.

Even as the production at Bombay High touched the 11 million tonnes mark on 4 January, an agreement was concluded by the Indian Oil Corporation with the Transworld Oil Company of the United States in Paris last week for swapping a million tonnes of Bombay High crude with Arabian light crude.

The IOC has also floated a global tender for swapping another 300,000 tonnes of Bombay High crude. The last day for receiving bids is 20 January.

The official spokesman said that the Oil and Natural Gas Commission was already working on a production system for Palk Strait where the oil strike four months ago gave a promising yield of 1,500 barrels a day.

Drilling of second well off Vedaranyam, a town known for its salt pans, has been more or less completed with experts evaluating the data.

Both the ONGC and Oil India will take up drilling in Rajasthan. The ONGC proposes to take up the first well for drilling in February with a planned depth of up to 2,500 metres.

Jwalamukhi, the Gandak Depression, Jammu, Tripura, West Bengal are some of the areas where exploration work had already started or will begin. Exploration in the Godavari offshore basin is also expected to be resumed any time now with the arrival of a sophisticated drillship.

G.K. REDDY TELLS DOUBTS ON NONALIGNED VENUE

Madras THE HINDU in English 12 Jan 82 p 9

[Text]

The leading non-aligned countries are keeping discreetly silent about the venue of the next summit in September which is due to be held in Baghdad in accordance with the earlier decision.

That decision was taken at the last conference in Havana in 1979 in the normal course.

It was subsequently reaffirmed at the mid-summit meeting of Foreign Ministers in Delhi in 1981 on the assumption that the Iraq-Iran conflict would end before September 1982.

Though Iraq is very keen on playing the host irrespective of the continuance of this conflict, Iran has been pressing for a change of the venue in the changed circumstances with no hope of a cessa-

tion of hostilities before the next summit.

There are several countries like India which have good relations with both Iraq and Iran. They are reluctant to air their views on the desirability of holding the summit in Baghdad or shifting the venue for fear of offending one or the other of these two West Asian oil-exporting States, which remain bogged down in an interminable war of attrition.

No major non-aligned country is even talking about the next summit in this highly embarrassing situation. The question of venue will have to be sorted out at a ministerial level meeting of the Coordination Bureau in the next three or four months, since a sensitive issue of this kind cannot be decided by the permanent representatives of the member-countries at the United Nations.

A complicating factor has been the

virtual abandonment of the non-aligned peace effort, since Iraq and Iran have been taking diametrically opposite positions on the proposed ceasefire as a prelude to a negotiated settlement.

At this point of time nobody is able to say whether the next summit will be held in Baghdad, despite the fact that Iraq is going ahead with the arrangements.

It cannot be decided at the last moment, or even a couple of months earlier, to shift the venue elsewhere, since any other country agreeing to host the summit will require time to provide accommodation, security, communications and other arrangements for a conference of nearly 90 heads of government and an equal number of Foreign Ministers, not to speak of the officials and journalists attending it.

CSO: 4220/7637

ENVOY TO UN DEMANDS SANCTIONS AGAINST ISRAEL

New Delhi PATRIOT in English 10 Jan 82 p 3

[Text] India has backed Syria's demand for sanctions by the United Nations to force Israel to rescind annexation of the Golan Heights.

Addressing the Security Council here on Thursday ambassador Natrajan Krishnan declared that the provisions for punitive action in the UN Charter must be invoked against Tel Aviv without delay or hesitation.

He told the Council that the expectations its resolution last month had raised were so great that if it did not act now it would be 'striking a mortal blow at its own credibility'.

The Council had unanimously adopted a resolution on 17 December asking Israel to rescind its decisions failing which it would meet again to consider appropriate measures against Tel Aviv.

Mr Krishnan pointed to the principled stand Israel's traditional friends had taken in criticising its move and noted that it had earned them praise and admiration.

In this context he also noted that the United States decision to suspend its strategic cooperation agreement with Israel had been welcomed as a step in the right direction.

He hoped that acting in the same spirit of rectitude the Council members would once again be unanimous in deciding on appropriate steps to compel Israel to comply with their previous resolution.

Mr Krishnan rejected Israeli claims that in imposing its laws on the Golan Heights it had been guided by its concern for self defence.

That action he asserted was 'simply a step taken by Israel in its ambitious programme of expansion'.

The speakers included representatives of Yemen, Algeria, Sudan, Libia, Yugoslavia and Pakistan and an observer from the Palestine Liberation Organisation.

AP adds: US Ambassador Jeane J Kirkpatrick complained that the UN Security Council was 'simply floundering' and not making any headway in confronting Israel's refusal to rescind annexation of the Golan Heights.

Mrs Kirkpatrick, speaking to reporters after the third day of Council debate on the Golan Heights, said she was not aware of any behind-the-scenes progress toward a compromise resolution that would defuse Syria's demands for sanctions against Israel.

CSO: 4220/7631

ARAB CREDIT FOR INDIAN POWER PROJECTS REVIEWED

Madras THE HINDU in English 10 Jan 82 p 6

[Text] The Arab countries and associated donor agencies have extended a total credit of Rs. 335.82 crores to India till the end of 1981 for development of the country's energy resources, particularly for the hydroelectric power projects.

With a total assistance of Rs. 141.93 crores, Kuwait tops in the credits being extended by the Arab countries to India's energy development programmes. It is followed by Saudi Arabia with a total assistance of Rs. 111.25 crores and United Arab Emirates (UAE) (Rs. 15.44 crores), according to official sources.

The OPEC Fund for International Development, with which Arab countries are associated, had extended a total credit of Rs. 67.20 crores for India's energy development programmes till the end of last year. This includes Rs. 35.20 crores extended for the development of offshore Bombay High oil fields and Rs. 16 crores each for the super thermal power stations being set up at Korba and Ramagundam.

The Kuwait Fund for Arab Economic Development had extended a credit of Rs. 47.41 crores for the Anpara Thermal Project and Rs. 26.67 crores for coal transportation and handling for the Anpara power project in Uttar Pradesh. The Kuwait agency had also extended a credit of Rs. 40 crores for the Kalinadi Hydro-electric Project in Karnataka and Rs. 27.85 crores for the Kopili Hydroelectric Project in Assam-Meghalaya.

The credits from Saudi Fund for Development includes Rs. 85.7 crores for the Srisaillam and Nagarjunasagar power projects in Andhra Pradesh and Rs. 25.55 crores for a hydroelectric project in Bihar.

The Abu Dhabi Fund for Arab Economic Development had extended a credit of Rs. 15.44 crores for the execution of the Garwal-Rishikesh Chilla Hydroelectric Project in Uttar Pradesh.

Official sources point out there has been no grant from Arab countries for the development of energy resources in the country.

The repayment period of loans extended by the Arab countries is spread over 20 to 25 years, including five years of grace period. The interest rates are 3.5 per cent to four per cent per year.

However, the credits extended by the OPEC special fund for international development carries only a service charge of 0.75 per cent per year.

No projects in the country relating to new sources of energy including solar and biogas have so far received assistance from Arab or petrodollar nations.

Meanwhile, several Indian parties are negotiating with the Arab companies seeking collaboration under the new investment facility created by the Government of India in October 1980 to attract Arab investments.

CSO: 4220/7630

BRIEFS

JAPANESE LOAN DETAILS--India will get a credit of Rs. 43.86 crores (yen 10.8 billion) from Japan under an agreement signed here today. A sum of Rs. 25.11 crores will be used for the import of switching equipment of electronic and cross-bar type for the telecommunication expansion project, Rs. 11.22 crores for wheel sets and other equipment of railway wagons and Rs. 7.53 crores for EMU traction equipment for the Bombay suburban railway modernisation project. The loan is spread over a period of 30 years and carries an interest of 2.75 per cent per annum. UNI adds: The documents for this purpose were signed by the secretary of economic affairs, Mr. R. N. Malhotra, and the Japanese ambassador, Mr. Eikichi Hara, at a brief ceremony in the finance ministry. [Text] [Bombay THE TIMES OF INDIA in English 14 Jan 82 p 9]

NATIONAL BIOTECHNOLOGY BOARD--Mr M. Swaminathan, member of the Planning Commission, will head the National Bio-technology Board, announced by the Prime Minister while opening the 69th session of the Indian Science Congress at Mysore yesterday. Besides Mr Swaminathan, an eminent plant geneticist, mainly responsible for the "green revolution", the board has five other members--four distinguished scientists and an eminent teacher. They are Mr G. S. Siddhu, director-general of the Council of Scientific and Industrial Research, Mr V. Ramalingaswamy, director-general of the Indian Council of Medical Research, Mr O. P. Gautham, director-general of the Indian Council of Agricultural Research, Mr M. G. K. Menon, secretary of the department of Science and Technology and president of the Indian National Science Academy and Mrs Madhuri Shah, chairman of the University Grants Commission. The board will coordinate the activities of various scientific organizations, research in genetic engineering, and make agriculture less dependent on fertilizers and pesticides. [Text] [Calcutta THE STATESMAN in English 5 Jan 82 p 7]

INDIGENOUS ROCKET FUEL--The high-explosive factory at Khadki near here has succeeded in establishing a plant for indigenous production of "G" fuel, which is used for rockets and missiles by the defence services. This achievement is an outcome of successful interaction between the defence science centre under the aegis of the defence research development organisation, New Delhi, and the ordnance factories organisation. The new plant will produce the liquid propellant indigenously and save Rs. 20 lakhs worth of foreign exchange per year. [Text] [Bombay THE TIMES OF INDIA in English 8 Jan 82 p 5]

BASU PRC VISIT--Mr Basu said in Calcutta on Saturday that though he had accepted an invitation to visit China, he might not be able to make the trip soon since there was a likelihood of the Assembly elections being held in West Bengal. Mr Basu added that he had also been invited to visit North Korea. [Text] [Calcutta THE SUNDAY STATESMAN in English 10 Jan 82 p 3]

CSO: 4220/7629

NATION'S ECONOMY, FUTURE PROSPECTS DISCUSSED

BK290146 Melbourne Overseas Service in English 1110 GMT 28 Jan 82

[From the "Australian Insight" program]

[Text] This is "Australian Insight" and I am (Judith Hinckey). The Australian economy grew at a faster rate than the economies of most other nations during last year due mainly to the investments associated with the development of Australia's natural resources. But as business journalist (Peter Sterling) reports, prospects for the economy's growth this year aren't nearly as good:

Traditionally the Australian economy has depended on the health and prosperity of the U.S., European and Japanese economies in order to obtain a strong growth rate. Last year, however, when the United States and major European countries were experiencing little or no growth, the Australian economy broke this historic pattern of dependence by recording one of its strongest-ever growth rates, with real growth for the period reaching 4 percent.

The reason for the high growth rate was the strong rise in investment spending by companies, and in turn, this was due to the realization that Australia had abundant reserves of non-oil energy sources which could be sold to a world searching for alternatives to the expensive OPEC-produced crude oil. This investment spending on coal and uranium mines and gas fields was, however, only part of the picture. Industries, which are heavy users of energy, such as the aluminum industry, also decided that Australia was an attractive place to invest because of the supply of coal-fired electricity at comparatively low prices. But that was last year.

Even before the year had ended, things were beginning to sour. Breakdowns in power generating stations in New South Wales and Victoria made it obvious that although the energy was cheap it was not always reliable. The energy utilities also began raising prices in order to obtain the funds for expansion that they had previously borrowed on the open financial market. Then the price of oil stabilized and fears of an international shortage turned out to be false. If anything, an oil glut has emerged. This took some of the pressure off consumers in countries like Japan who had been anxious to secure supplies of

Australian steaming coal for electricity generation. The rising price of electricity and the international recession has checked the enthusiasm of the aluminum industry for investing in Australia and three major aluminum smelter projects have been deferred or abandoned.

The net effect of all this is that the Australian economy is expected to grow less robustly this year than in 1981. Growth may drop to between 2 and 3 percent instead of last year's 4 percent while inflation is expected to rise. The disclosure that the cost of living rose by 4.2 percent in the 3 months to December has led to concern that inflation is now back on an upward path after several years of a falling rate of inflation. Some economists are saying that inflation could top 13 percent this year after last year's 11.3 percent. If that occurs, the government will almost certainly move to tighten up money supply and in turn this will trigger higher interest rates and dampen down consumer confidence.

If the economy grows by 2 percent or less, then unemployment will almost certainly rise, again reversing the pattern of the last few years during which the labor force expanded strongly. It's still too early to say whether the more pessimistic predictions for the economy will be borne out although some observers say the large wage increases, seen in the last few months, will generate inflation and force the federal government to clamp down on the economy. Others say that the higher wages will stimulate demand and improve the prospects for some industry sectors. Only time will tell who is right.

The bright spot on the horizon is the indication that growth prospects in the United States and Europe are now looking better than they were and if those economies grow more strongly, they will trigger growth in Australia by improving the export prices received from the mineral products sold by Australia on international markets.

CSO: 4220/214

BRIEFS

AUSTRALIAN AID, TRADE--Australian ambassador to the Philippines Richard Woolcott said yesterday Australia's development assistance program in the country had continued to increase, totalling 8 million Australian dollars in 1981 to 13 million dollars for 1982. Woolcott also said trade relations between the two countries had widened, with Philippine exports increasing at 27.3 percent or \$106.7 million last year, as against Australian exports of 12.7 percent. However the value was higher, at 197.5 million dollars. Woolcott made these observations in a press statement issued in connection with the observance of Australia day in Manila on Monday. The celebration will be held at his official residence. Philippine cabinet members led by Foreign Minister Carlos P. Romulo are expected to attend, according to the press statement. [Text] [HK230033 Manila Far East Broadcasting Company in English 2330 GMT 22 Jan 82]

PHILIPPINES, PRC COAL DEAL--Manila, 4 Jan (AFP)--The Philippine Government is currently negotiating a long-term coal supply agreement with China in anticipation of the expected increase in domestic demand this year, Energy Minister Geronimo Velasco said. Mr Velasco told newsmen the negotiations were initiated in view of the 5-year energy development program which had set a target of lowering the country's dependence on imported oil by 1986 by as much as 50 percent. He said coal consumption this year is expected to reach 1.44 million metric tons while domestic production would only reach the 1.2 million metric tons level. Mr Velasco did not specify the volume and amount of coal being negotiated with China. Due to the expected increase in coal demand, he said the national coal authority had allocated to spend 800 million pesos (about 100 million U.S. dollars) for infrastructures needed in the transport and storage of coal in addition to about 650 million pesos (about 81.25 million dollars) for coal exploration. [Text] [BK050458 Hong Kong AFP in English 0149 GMT 4 Jan 82]

PALAWAN DEVELOPMENT PLANS--The government will be pouring \$85 million to fully develop Palawan over the next 5 years. Prime Minister Cesar Virata inaugurates tomorrow phase one of the 5-year integrated area development program. Phase one includes the construction and improvement of over 300 kilometers of roads. Another phase of the project will focus on agricultural development through irrigation facilities. The 5-year integrated project covers Palawan's capital,

Puerto Princesa, and 6 other towns where 60 percent of Palawan's people live. Most of the funding will come from a \$47 million loan from the Asian Development Bank, and from nearly \$8 million in loans from the European Economic Community. The rest will come from counterpart funds. [Text] [HK160656 Manila Domestic Service in English 2300 GMT 15 Jan 82 HK]

PHILIPPINE CONSTRUCTION CONTRACTS--Philippine contractors won \$782 million worth of construction contracts last year. The figure surpassed the 1980 record of \$744 million. Contracts in 1979 were worth \$369 million. Iraq was reported to be the top market last year, where the Filipinos won construction awards amounting to more than \$250 million. Iraq was followed by Saudi Arabia, Libya, Brunei and Kuwait. These contracts provided employment to over 25,000 workers. [Text] [Manila Domestic Service in English 0600 GMT 16 Jan 82 HK]

BURMESE ENVOY--The Philippines has accepted the nomination of John Maung as Burma's ambassador extraordinary and plenipotentiary to the Philippines. Formerly assigned to the Arab Republic of Egypt, the envoy has served his country in various capacities. At one time he was with the immigration department, the Planning and Finance Ministry, and the internal revenue office. [Text] [HK300113 Manila Far East Broadcasting Company in English 2330 GMT 29 Jan 82]

CSO: 4220/214

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